The American Labor Legislation Review

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CONTENTS

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"IF Theodore Roosevelt could be let down from the battlements of Heaven in a parachute and began without warning to say the things he said twenty years ago, he would shock, astound and paralyze the American people.

"What if, suddenly, from the White House today, the phrase 'predatory wealth' came crashing out? Remember that Theodore Roosevelt attacked decisions of the Supreme Court. Remember that he demanded the recall of judicial decisions by popular vote. Remember that he stood for the initiative and referendum; the primary; the eight-hour day; child labor laws; workmen's compensation, and had no word to say against the closed shop.

"Why, if Theodore Roosevelt should appear suddenly in America today and doing what he did from 1904 to 1912, the various defense societies, security leagues, minute men of the Republic, and 100 per cent Americans would start a whispering campaign that his real name was Fedor Roosevisky, and that he was sent here as an agent of the Bolsheviki.

"So greatly have times changed! So far has the mind of America turned around the corner from the liberalism of the first decade of this century to the conservatism of today!"

WILLIAM ALLEN WHITE.

Revaluing Social Legislation

NEW developments in workmen's compensation and accident prevention, and the need of protective labor standards in present-day "prosperity" will be discussed by leading authorities at the Twentieth Annual Meeting of the American Association for Labor Legislation at St. Louis, December 28-30.

The working out of social inventions, now under way, to meet special needs such as the rehabilitation of industrial cripples, special funds for "second injury" cases, and extra compensation for children injured while illegally employed, is a development of great significance following the revolutionary adoption of workmen's accident compensation in America. This, together with other immediate issues in social legislation including coal mine safety, will be featured in the discussions. Competent speakers at one session will report on "the pulse of social reform." Of timely interest, too, are the topics that will be considered in joint sessions with the American Economic Association and the American Political Science Association—under-employment in the bituminous coal industry; the maintenance of labor standards in connection with international competition in labor conditions, and the relation of government to private property, emphasizing particularly recent tendencies and practice and the economic ideas of "contemporary tory democracy."

This year's meeting affords an opportunity for a spirited revaluing of social legislation and reaffirming of its advantages to wage earning men and women, to industry, and to the community.

Meanwhile, as Congress meets again in short session, it is faced with the urgent duty of finally passing the Cummins-Graham bill for federal accident compensation for longshoremen and other local harbor workers in the various ports of the country. The emergency nature of this measure, the progress it has already made in the present Congress, and the strong, representative support behind it, are set forth elsewhere in this REVIEW by Thomas L. Chadbourne, our Association's president. Two other measures calling for prompt action by Congress are

the long-delayed Fitzgerald bill for accident compensation for workers in private employments in the District of Columbia, and the bill already passed by the House extending the federal appropriation necessary to continue federal-state cooperation under the Sheppard-Towner act in maternity and infancy care.

Forty-four states will hold legislative sessions early in 1927. Among the outstanding measures awaiting adoption by those states which have not yet acted are the rock dusting of bituminous mines to prevent mine disasters due to coal dust explosions; adequate provisions for one day of rest in seven; statewide old age pensions; extra compensation for children injured while illegally employed, and further desirable liberalizing of workmen's compensation acts. Elsewhere in these pages will be found stimulating articles on the progress of this legislation and the pressing reasons why the states should act without further delay.

In this number also appears a summary of the new labor laws of 1926, prepared by Margaret M. Shipman of the Association's staff, and contributions, to which special attention may here be called, on the conspicuous channels of waste in our industrial civilization and on the refutation by facts of current "dangerous tendencies" propaganda.

JOHN B. ANDREWS, *Secretary*,
American Association for Labor Legislation.

Legislative Notes

THE **Twentieth Annual Meeting of the American Association for Labor Legislation** will be held at St. Louis, December 28-30. The American Economic Association, the American Political Science Association, the American Sociological Society, and the American Statistical Association will meet at the same time and place.

◇

PROGRESS is being made in Pennsylvania in the **rock dusting of coal mines to prevent coal dust explosions.** A recent statement to the American Association for Labor Legislation by State Secretary of Mines Joseph J. Walsh shows that mines producing 51.17 per cent of the tonnage from gaseous bituminous mines are rock dusted.

◇

DR. ALICE HAMILTON, professor of industrial medicine at Harvard University, in an address before the Women's Trade Union Label League, declared that there is urgent need for legislation to protect industrial workers adequately against **occupational diseases.** Hundreds of thousands of workers, she said, are compelled to subject themselves to poisonous materials used in their daily tasks. For years the American Association for Labor Legislation has been pointing out that all occupational diseases should be included, the same as accidental injuries, in workmen's compensation laws.

◇

FLORIDA is the most recent addition to the list of states—forty in all—that have accepted the act of Congress providing for federal-state cooperation in the **vocational rehabilitation of industrial cripples.** The eight states still remaining in which legislation is needed for federal-state cooperation in rehabilitation are Connecticut, Delaware, Kansas, Maryland, South Carolina, Texas, Vermont and Washington.

◇

MILES M. DAWSON & SON, consulting actuaries of New York City who were engaged in May by the Industrial Commission of Ohio to make an examination and actuarial survey of the Ohio state workmen's compensation insurance fund, have recently reported that the audit "demonstrates a highly favorable situation from every aspect." They show that the expenses of operation of this **exclusive state fund** for the year ending June 30, 1926, were only 3.8 per cent of the premiums received

for the year plus the expenses, while in states that still permit commercial insurance to carry workmen's accident insurance the average ratio of expenses to premium of 65 stock companies is 38.9 per cent and that of 28 mutual companies 23.4 per cent. The saving to Ohio industries, by insuring through the exclusive state fund rather than through private carriers, was $7,278,837.69 in that year alone.

◇

ALROY S. PHILLIPS, St. Louis attorney, has been appointed chairman of the new **Missouri Workmen's Compensation Commission.** In a statewide referendum election in November, the Missouri workmen's compensation act of 1925 was ratified by the voters by a vote of 561,898 to 252,882, winning by more than two to one.

◇

Two **mine disasters** in Michigan, recently, serve as a reminder that mine inspectors in this state are selected in county elections!

◇

RENEWAL of the federal appropriation under the Sheppard-Towner Act providing federal-state cooperation in **maternity and infancy care** is another urgent matter of "unfinished business" before Congress in the session opening December 6.

◇

"IT is very difficult to account for these **wretched exhibitions of bad psychology,**" exclaimed the conservative New Haven *Journal Courier,* in commenting upon the action of the Detroit Y. M. C. A. in withdrawing an invitation that had been extended to the president of the American Federation of Labor to address its membership at the time of the Federation's annual meeting. Withdrawal of the invitation resulted from pressure on the Y. M. C. A. by the local chamber of commerce. This action aroused widespread protest.

◇

DECLARING that "preventive measures are what is needed" in order to cut down the appalling toll of **industrial sickness,** an article in *Brooklyn,* a magazine published by the Brooklyn, N. Y., Chamber of Commerce, states that: "Brooklyn's sickness bill is $100,000,000 a year for its more than 800,000 workers. We lost over 6,000,000 days last year from disability on account of sickness, or to put it another way, Brooklyn industry lost the labor of more than 20,000 of its workers for the entire year." Employers and industrial executives were urged to cooperate in combatting sickness at the Fourth Annual "Sickness Prevention in Industry Conference" of the Brooklyn Tuberculosis and Health Association.

◇

A STUDY of **Industrial Home Work and Child Labor** by the Pennsylvania bureau of women and children has been published as Special Bulletin No. 11 by the state Department of Labor and Industry.

APROPOS of recent agitation by reactionary employers and politicians that the country is being flooded with "too many laws" it is of interest to note what the Document Room of the House of Representatives has discovered concerning the legislative activity of the session of Congress which ended July 3, 1926. There were 13,909 bills and resolutions introduced, 1,495 committee reports made, and 896 bills and resolutions were enacted into law. How few of these **new laws** are of general interest is indicated in an article in the *American Bar Association Journal* by Middleton Beaman, who says: "A search of these acts and resolutions yielded only 35 which were deemed of sufficient importance to be included in the annual Digest of the Committee of the American Bar Association on Noteworthy Changes in Statute Laws."

◇

ABOUT $85,000 in workmen's accident compensation will be paid by the Roane Iron Company of Rockwood, Tennessee, to dependents of the 27 miners who were killed in the **coal mine explosion,** October 4. This is the second heavy compensation loss incurred by the mine within fifteen months—an explosion in July, 1925, having killed 10 men.

◇

A RESOLUTION adopted by the International Association for Social Progress at its Montreux meeting recently (see p. 336) urged the official International Labor Office, in working toward international standards of accident prevention, to pay particular attention to the **rock dusting of coal mines** to prevent mine disasters due to coal dust explosions.

◇

ORGANIZED labor strongly urged the adoption of a **state fund for workmen's accident insurance** on the Ohio plan, at a hearing recently of a special commission of the Massachusetts legislature appointed at the last session to study the operation of the workmen's compensation law. Massachusetts branch officials of the American Federation of Labor were represented before the commission by President Van Vaerenewyck and Vice President Matthew Woll, of the American Federation, declaring that labor is united on the State fund plan. The arguments were advanced that this was the original intent of the law and that there should be no profit taking by private companies on this form of insurance. They contended that 40 per cent is taken out of the present premium for agents' commissions, etc., which ought to go to the injured workmen, whereas the Ohio plan is conducted at 3 per cent overhead.

◇

CHARLOTTE E. CARR, director of the **Bureau of Women and Children** in the Pennsylvania Department of Labor and Industry, in reporting the first year's work of the Bureau, ending July 1, 1926, says that "one of the outstanding tasks" of the Bureau is the enforcement of the Department's regulations concerning home work. The new regulations make

the owner rather than the distributor primarily responsible for the conditions under which material is manufactured in private homes. Valuable studies were made by the Bureau of conditions of work in canneries and labor camps, of department store labor policies, of conditions of work for minors in the glass industry, and of machine accidents to minors.

◇

SECRETARY OF THE TREASURY MELLON, in a letter of October 28 to Otto T. Mallery in connection with the celebration of Management Week, strongly urges adoption of the policy of **long-range advance planning of public works** as an aid in stabilizing employment. "I am interested," writes Secretary Mellon, "in knowing that the program for Management Week in Philadelphia provides for discussion of a public works policy, under which governments shall plan to do as much as possible of their construction in years when business and industry are slack and shall decrease this work when there is a shortage of men and materials in private industry. Such a policy, within practical limits, has much to commend it. Not only would it save money for the taxpayers if governments would not compete for labor and materials at times when there is a scarcity of both; but, on the other hand, it would have a stabilizing effect if such works as have been planned could be built largely when there is a slowing down of industry. In this way unemployment would be lessened and the wages paid would add to the purchasing power of the country, thus improving the general situation."

◇

SECRETARY OF COMMERCE HOOVER, in his annual report made public November 29, points out that one important means of securing greater stability of business lies in greater mobility in the construction industries. "These industries," he declared, "are perhaps more largely subject to the ebb and flow of business currents than any other, and their ramifications in manufacture of material, transportation, etc., create a situation where the stability of this industry alone very greatly affects the stability of all other industries. **The country has yet to devise a better organization of federal and local governmental public works,** together with construction programs of major industries, so that by holding in reserve less necessary items they can be thrown into periods of depression and greatly mitigate the violence of such movements."

◇

IN England the Home Secretary recently presented to the House of Commons a bill to consolidate and amend the present **regulations for factories.** The Government aims to raise the general standard of factory conditions without placing any undue burden upon industry, and to bring about more efficiency and promote the welfare of the workers. The measure abolishes the present distinction between factories and workshops and between textile and non-textile factories, and uses the one term, "Factories."

JOHN A. LAPP, president of the National Conference of Social Work, in a recent address declared that states should enact **sickness compensation** laws following the general adoption of workmen's accident compensation laws. "We have learned to distribute the expense of accidents," he said, "but not of sickness." Seven and a half days a year are lost for each workman in the country because of sickness, he pointed out, but this is borne by the 20 per cent who are sick although it should be borne by society.

◇

A RESOLUTION favoring adoption of the Ohio plan of **exclusive state funds for workmen's accident insurance** was adopted by the Nebraska State Federation of Labor at its convention in September.

◇

IN a divided opinion the Utah Supreme Court recently held in effect that a claimant of compensation under the workmen's compensation act must submit to a 50 per cent "cut" of the award if he or she **moves to a foreign country,** except Canada, on the ground that it costs less to live in other countries. Justice Straup, dissenting, said that if this argument held good a person entitled to compensation and living in another country at the time of the accident, might move to the United States or Canada and claim full compensation. He held that was not the intent of the act.

◇

"NEXT year—1927—is a big year among the state legislatures. Nearly every one of them meet. Let us all, in our respective commonwealths, strike hard for an adequate and decent **old age pension** system."—*Labor Age.*

◇

W. D. P. BLISS, editor of the **Encyclopedia of Social Reform,** died in New York recently at the age of seventy.

◇

RECENT action of the Associated Companies in refusing to continue carrying compensation insurance for coal mine risks, because of the **great cost of coal mine accidents,** has stimulated interest in providing such protection through state funds. A committee of the national organization of insurance commissioners is considering this question, which leads the New York *Evening Post* to remark: "That is why the underwriters regret the Associated Companies couldn't make the coal mine business pay because they fear further inroads into the insurance business on the part of the various states."

◇

ACCORDING to *Insurance Field,* the new Arizona workmen's compensation law which provides for a competitive **state fund** is regarded with disfavor by commercial insurance companies. "It is the belief of some companies, however," says this insurance journal, "that the law meas-

ures up to the trend in compensation legislation, and will withstand further attack as it is now in full force and effect. The Associated Companies no longer write in Arizona." As noted in these pages in September, it is estimated that fully 95 per cent of the mining industry in this mining state has insured in the state fund in preference to commercial casualty companies.

◇

SPEAKING before the National Coal Association, Mr. J. T. Rupli, superintendent of the compensation department of the Chicago, Wilmington and Franklin Coal Company, declared that further organized efforts are needed to prevent **coal mine accidents.** He said: "Coincident with the enactment of workmen's compensation laws has been the growth of the movement for accident prevention, and probably no industrial problem has been given as much study and impetus as has this during the past decade. While I do not wish to appear ungracious, in all frankness I must say that in this regard the coal mining industry has not kept pace with some of the other industries. But it is only fair to say that this is not that we are unmindful of our accident situation either from the humane or economic consideration and do not have our safety engineers and accident statistics, but it is because we have not developed these factors into a systematic method of accident prevention."

◇

PATRICK O'MEARA, president of the Connecticut Federation of Labor, urged the adoption of an **exclusive state fund for workmen's accident insurance** in his report to the forty-first annual convention of the Federation. He declared: "Our large insurance companies are proclaiming that there are no more profits in workingmen's compensation insurance. I say to these companies that organized labor in Connecticut invites them to join with us to propose the Ohio plan of insurance in Connecticut."

◇

LOOKING to a reduction of life **insurance** rates, a resolution recently adopted by the Oregon State Board of Health requests that an official investigation be made to determine what insurance rates are proper. "The insurance corporations," states the resolution, "almost without exception have not given the people the benefit of the conservation of human life."

◇

MISS ETHEL M. JOHNSON has been reappointed as **Assistant Commissioner** in the Massachusetts Department of Labor and Industries.

◇

A RESEARCH bulletin on "Efficient Teaching and Retirement Legislation" recently issued by the National Education Association announces that efforts are being made to extend and strengthen **old age pension legislation** for teachers during the 1927 sessions of state legislatures. The

bulletin contains much helpful information, conveniently condensed, as an aid in securing sound teacher retirement legislation which, it is declared, "is an important step in the direction of providing a state's children with efficient teachers." Statewide teachers' old age pension laws are already in effect in twenty-one states and the District of Columbia, and, in some form, in more than thirty cities elsewhere.

◇

MEMBERS of the official commission which will **investigate the operation of the state workmen's accident compensation law** in Massachusetts were appointed by the governor and confirmed by the Executive Council on September 2. The commissioners are Charles P. Curtis, Jr., of Boston, Chairman; Martin T. Joyce of Wollaston, Albert White of Taunton, James Tansey of Fall River, and Dr. Samuel Woodward of Worcester. In view of the efforts that have been made to establish a state insurance fund in Massachusetts based on the Ohio plan there is much interest in this commission and its work.

◇

MASSACHUSETTS' Minimum Wage Commission has entered a decree establishing a **minimum wage** of $14.40 a week for women in the jewelry industry, effective January 1, 1927.

◇

UNDER the Male Minimum Wage Act of British Columbia, the board of adjustment has recently issued a formal order establishing forty cents an hour as the **minimum wage** to be paid in the lumbering industry.

◇

"THE large increase in the number of fatalities at gasoline plants during 1925 as compared with 1924 calls for concerted action in **accident prevention** activities," according to a study of fatalities in the petroleum industry of California recently made by the federal Bureau of Mines.

◇

IN his 1926 report to the legislature the New York State Superintendent of Insurance states that 103 companies carrying casualty or miscellaneous insurance in 1925 received $602,092,370 in premiums of which $161,186,759 was paid for workmen's accident compensation protection. This class of **insurance companies** reporting to New York, according to the report, made a net gain from underwriting during 1925 of $434,264, as against a loss of $4,819,822 during 1924, and a total net gain in surplus of $11,865,032, as against $23,733,213 during the previous year.

◇

A REPORT recently issued by the federal Children's Bureau on "Public Aid to Mothers With Dependent Children" reviews American experience under **mothers' pension laws**, which have been adopted in forty-two states and, in 1926, by Congress for the District of Columbia. Home care is cheaper and better than institution care, the Bureau finds, citing

the experience of New York City which in 1923 spent 28.40 a month to care for a child in an institution, but only a little over $15 a month to care for a dependent child in his own home. Proposed old age pension legislation is based on the same principle as mothers' pensions, and experience thus far under pioneer old age pension laws shows that home care provided by these pensions is, as in the case of mothers' pensions, more economical and humane than poorhouse care.

◇

RESOLUTIONS adopted at the annual convention of the **New Jersey State Federation of Labor** in September call for amendment of the workmen's compensation law to increase the weekly maximum to at least $20; for prohibition of night work of women, and for one day of rest in seven for bakery workers. Henry F. Hilfers has retired as secretary of the Federation after seventeen years of service. He is succeeded by Hugh V. Reilly.

◇

COLUMBIA UNIVERSITY is giving a **new course on Women in Industry.** For the academic year 1926-27 it is in charge of Miss Mary D. Hopkins, formerly with the United States Department of Labor and the United States Public Health Service.

◇

THE Canadian Trades and Labor Congress, at its annual meeting in Montreal in September, urged immediate adoption of legislation for **old age pensions,** unemployment insurance and "constructive measures to minimize unemployment by the provision of work."

◇

A COMMITTEE of thirteen appointed by Secretary of Commerce Hoover to draw up a **mechanics' lien** bill to serve as a basis for more uniform state legislation on this subject has submitted a tentative draft to trade associations, labor organizations and individuals for comment and suggestions.

◇

"ONE of the useful by-products of the **workmen's compensation law** has been the increasing attention given by factory owners and other employers to safety devices," says an editorial in the *New York Times.*

◇

IMMIGRATION during the fiscal year 1925-1926, the second year under the 2 per cent quota act, showed a slight increase over that of the previous year, amounting to 4 per cent, but partly owing to declining emigration of aliens from the United States, our **net gain in population through immigration** was 13 per cent greater than the year before, according to an analysis made by the National Industrial Conference Board.

Commissioner Funk of Iowa urges the Iowa legislature at the forthcoming session to amend the workmen's compensation law so as to include **occupational diseases** as well as accidental injuries and to **reduce the waiting period to one week.**

◇

Resolutions were adopted at the 1926 annual convention of the Vermont Federation of Labor urging legislation to extend the benefits of the workmen's accident compensation law so as to include **occupational diseases,** and to provide for **old age pensions.**

◇

For rock dusting coal mines **to prevent coal dust explosions,** says the United States Bureau of Mines, a dust should be used that is "white, incombustible, non-siliceous, and inexpensive," such as limestone.

◇

American business cycles have a shorter average duration than those of any other country studied, according to an analysis made by the National Bureau of Economic Research. The **business cycle duration** averages of 32 American and of 134 foreign measurements are 4 and 5.4 years respectively.

◇

At the thirteenth convention of the Association of Governmental Labor Officials of the United States and Canada a resolution was adopted reaffirming the Association's support of the **child labor amendment** to the federal constitution.

◇

Referring to medical and hospital expenses, the annual report of Commissioner Kennedy of Nebraska, recently issued, declares that the commissioner has adjusted a number of bills that in his opinion were unreasonably excessive, with a consequent saving to the **insurance companies,** in the hope that employers would receive at least a slight reduction in their workmen's compensation insurance premiums. "On the contrary," he declares, "we are reliably informed that the premiums were advanced in 1926—and the end is not yet."

◇

During July, 1926, **accidents to** 112 **minors** under eighteen years of age were reported by the Illinois Department of Labor for that state. Of these 101 caused the loss of more than six working days or were compensable. Manufacturing industries were responsible for 54.5 per cent of the accidents, with metals, machinery, and conveyances leading the list. Four accidents were fatal.

◇

A Government decree in Spain, effective November 1, 1926, **prohibits the employment of minors** under eighteen years of age (with the exception of some apprentice painters) and of women in all painting involving the use of white lead and sulphate of lead.

Harbor Workers' Compensation Bill An Emergency Measure

By Thomas L. Chadbourne

CONGRESS should be impressed with the urgent need of final and favorable action, at the session opening December 6, on the Cummins-Graham bill to provide federal accident compensation for longshoremen and other harbor workers.

The way has been cleared for prompt adoption of this measure. It is really "unfinished business." Following unanimously favorable reports by the Judiciary committees of both houses at the last session, the bill was passed in the Senate, but final action in the House was blocked by tactics of delay employed by the opposition on the eve of adjournment.

Delay means further needless suffering and privation among thousands of injured harbor workers and their families. The men who perform the extremely dangerous tasks of loading, unloading, and repairing vessels at the dock are less favorably treated than any other group of American workers, when injured by accident. They have been called the legal step-children among the modern wage-earners. Closely divided opinions of the highest court have deprived the harbor worker of the protection of accident compensation when he is injured while at work aboard the vessel.

The principle of accident compensation is firmly established in America, in state and national legislation for the protection of labor. It is universally recognized as beneficial also to employers and to the community. Twice Congress has attempted to bring relief to the longshoremen by specifically reserving to them the protection of state compensation laws. But the Supreme Court held that accidents happening aboard the vessel were "maritime" and therefore could not be placed under state jurisdiction without interfering with proper harmony and uniformity of the maritime law.[1] The only remaining method of giving harbor workers the protection of accident compensation is through a federal act. Action is now squarely up to Congress.

[1]Knickerbocker Ice Co. *v.* Stewart, 253 U. S. 149; State of Washington *v.* Dawson & Co., 264 U. S. 219.

Throughout the legislative campaign for the Cummins-Graham bill the International Longshoremen's Association has had the active cooperation of the American Association for Labor Legislation. So impressed were the Judiciary committees of Congress with the need for this legislation that they reported unanimously in favor of it, and the House committee voted to request a special rule to expedite its passage. The American Federation of Labor, at its convention recently in Detroit, adopted a resolution referring to the Cummins-Graham bill, as introduced, as a "carefully considered" measure, and urging each member of Congress "to assist in every possible way in expediting the prompt enactment of this urgently needed legislation on a basis that shall afford adequate benefits to the injured workers and dependents." Similar approval has come also from public officials charged with the administration of workmen's compensation laws. At its Hartford meeting in September, the International Association of Industrial Accident Boards and Commissions adopted a report pledging "cooperation and support to those who are actively engaged in securing the enactment of compensation legislation for * * * maritime workers."

Meanwhile, the United States Supreme Court has recognized the deplorable plight of these workers—a result of its earlier opinions—and in a recent decision,[2] now construes the Jones Act of 1920 to include within the scope of that act longshoremen who are "engaged (in) a maritime service formerly rendered by the ship's crew." A longshoreman, therefore, *while performing such service* is entitled to the same rights to sue for damages as have been extended to seamen, although this does not by any means place an injured longshoreman in as favorable a position as seamen who have long been given additional special relief under laws providing maintenance and cure with medical attention through the United States Government hospital service. Moreover, if a longshoreman is injured while engaged at a task that may not be held to fall within this category, there is no certainty under the decision that his position is at all bettered, while the practically defenseless situation of the mechanic, the carpenter or other ship repairman appears to be unchanged. Furthermore, for all these local harbor workers work-

[2]International Stevedoring Co. *v.* Hagerty, October 18, 1926.

men's compensation should supplant the long delays and needless expense of suits for damages.

The harbor workers number a third of a million men working in the ports of inland lakes and navigable rivers, as well as in the sea ports. There are nearly 50,000 longshoremen in New York State alone. To place them securely within the protection of a federal accident compensation law will close up one of the most conspicuous and unfortunate gaps still remaining in compensation legislation in America.

Will Congress Now Remove This Blot From the Compensation Map?

AGAIN Congress meets and again it is faced with the duty of passing the Fitzgerald bill to provide workmen's accident compensation for wage-earners in private employments in the District of Columbia.

As noted in the June and September numbers of this REVIEW, the bill (H. R. 487) was on April 12—**for the third time in the past five years**—favorably reported by the House District committee,[1] which urged its adoption "as a just and adequate and reasonable compensation provision especially well adapted to meet the unique conditions existing in the District of Columbia." But Congress failed to take final action before adjourning in July.

Meanwhile workingmen and their families continue to suffer from the results of work accidents for which they have no remedy worthy of the name. Recent investigations have shown that of over one hundred accident cases, not one worker who was seriously injured received adequate recompense. Insurance adjusters offered them $25 for a broken leg or $800 for a life—more often nothing at all. Their only recourse is costly and uncertain suit for damages —and under outworn common law doctrines that have been abandoned in all of the states except five in the non-industrial South. A number of typical cases were cited in an earlier number of this

[1]For text of report see "Congressional Committee Again Reports in Favor of Fitzgerald Bill for Accident Compensation," *American Labor Legislation Review*, Vol. XVI, No. 2, June, 1926, pp. 155-161.

REVIEW[2] showing that while Congress delays the list of dependent widows and children grows tragically longer. Two of the most recent accidents resulting in death illustrate what is happening in the District right under the eyes of congressmen:

A. A, a carpenters' foreman, was killed while working on a construction job. As he was about to step into an outside elevator, the elevator suddenly without warning shot upward, striking him on the chin and breaking his neck. He left a widow and a five-year-old child. All that the widow received was $300 insurance from the local Carpenters' Union of which Mr. A. had been a member for fifteen years. The construction company offered the widow $1,000 without admitting obligation or responsibility, but this she declined to accept. She was forced to go to a lawyer, who holds that the accident was manifestly due to gross negligence of the company, and is suing for $10,000 damages, the limit under the District laws.

L. J. while at work on a building, fell from a scaffold and was killed. He was unmarried but had several younger brothers and sisters partly dependent on his earnings. His dependents have received nothing.

For five years Congress has delayed action on a well-considered workmen's compensation bill for the District. The opposition has been inspired by selfish commercial insurance interests. Will Congress continue this disgraceful neglect?

[2]"While Congress Delays: 'Human Experience' Shows Need for Action," By Irene Sylvester Chubb, *American Labor Legislation Review,* Vol. XII, No. 4, December 1922, pp. 204-207.

Workmen's Accident Compensation Ratified by Missouri Voters

AT last "the shame of Missouri" has been wiped out. In the recent election, by an overwhelming majority, the voters of Missouri ratified the workmen's accident compensation law enacted by the 1925 legislature.

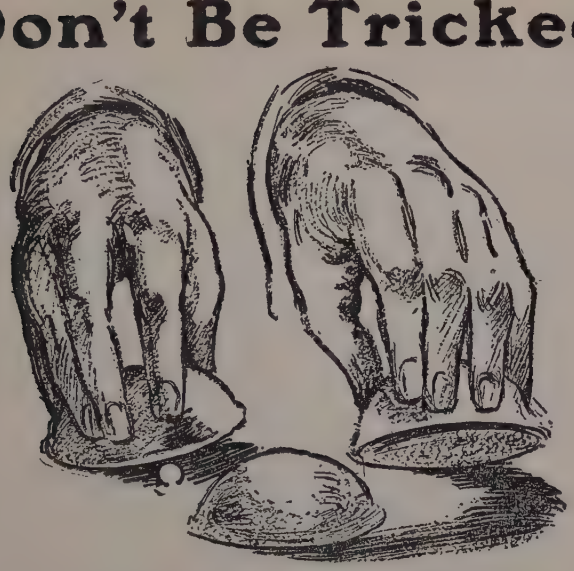
When this law was enacted the referendum was invoked against it by the building trades labor group, stimulated and aided it is said by damage suit lawyers opposed to any form of workmen's compensation. They then initiated a separate proposal in the hope that, with two workmen's compensation propositions on the same ballot, the voters would be confused and turn down both. But the "counterfeit" proposal appears to have been rejected by almost the same large majority—more than two to one—with which the workmen's compensation act was approved.

Three times since 1918 workmen's compensation proposals were submitted to Missouri voters, but failed of adoption. This time the law was so framed that it commanded the united support of the state and national federations of labor, the state employers' association, and commercial insurance companies, as well as the League of Women Voters, the Missouri Committee of Women in Industry and the state Press and Bankers' and Farmers' associations.

As an aid in the campaign the State Federation of Labor widely distributed the "Workmen's Compensation Map of the United States and Canada" prepared by the American Association for Labor Legislation, with the added slogan heavily printed above the map in red ink: **"Take the Black Mark Off Missouri."**

Significantly, the campaign literature issued by the Associated Industries declared that the workmen's compensation law "will boost Missouri"; that it "will encourage the building here of new factories, which are now being located in states having workmen's compensation laws."

Organized labor supported this workmen's compensation act not on the ground that it is perfect—it provides, for instance, except for self-insurance in certain cases, that the private insurance companies shall have a monopoly of the business—but on the ground that it is the best law that can be obtained now. Labor's slogan was: "Sus-



Missouri Voters Warned Against "Shell Game"

The above cartoon was widely circulated in the Missouri campaign by friends of the workmen's compensation law to put the voters on guard against being confused by a "counterfeit" proposal placed on the ballot by opponents of workmen's compensation.

tain the act and then at the first opportunity bring it up to desirable standards."

With Missouri now firmly established in the ranks of workmen's compensation states, there remain only five states, all in the non-industrial South, and the District of Columbia, still without this enlightened protection against industrial accidents. Continued efforts are being made to remove these remaining dark spots on the compensation map. In Florida for example it is planned to present a workmen's compensation bill to the next legislature with the backing of labor and of employers who see increased need for this legislation as a result of recent industrial activity, particularly in building construction.

"Dangerous Tendencies" Propaganda Refuted by Facts

By Cornelius Cochrane

THE leading spokesman and lobbyist of the stock casualty insurance companies, F. Robertson Jones, in a recent address before an audience of employers—an address already widely distributed in pamphlet form in the various states—points with a gesture of alarm to what he characterizes as "Dangerous Tendencies in the Workmen's Compensation Laws."

Mr. Jones has been considered an authority on accident compensation legislation. What he says is presumed to carry weight. In the past he has maintained that the concern of the commercial insurance interests with workmen's compensation rests on their being permitted to write this insurance—adequate benefits of course to be met by adequate rates. Now Mr. Jones makes a conspicuous departure from this position. He launches an attack—an unjustifiable attack, as will be shown—upon the progress of workmen's compensation legislation. What does this mean?

Those who are familiar with developments in the field of accident compensation are not at all surprised that the stock insurance companies should appear perturbed. In recent years there has been a marked increase in industrial accidents. Legislatures have progressively liberalized the workmen's compensation laws as practical experience has demonstrated their earlier inadequacy. The cost of accident compensation has risen although compensation payments still lag behind the post-war increase in the cost of living. The stock casualty companies, demanding higher rates, have found it necessary to run the gauntlet of state commissions which are prone to insist upon a "show down" before permitting rates to be raised. These stock companies, too, have been aware of the action by employers in turning to "self-insurance" or banding together in mutual companies to keep down the cost of compensation insurance. Worse still, from the commercial viewpoint, has been the action of many states in providing state funds for industrial accident insurance, thus offering the employer an opportunity to keep the cost of this protection down to a minimum. A recent audit in Ohio, for example, indicates that the saving to Ohio industries, by insuring through the exclusive state fund rather than through private carriers, was over $7,000,000 for the last fiscal year alone. Increasingly employers are recognizing

that state funds are vastly more economical than stock commercial insurance. This may well give rise to apprehension on the part of these casualty companies which retain nearly 40 cents out of every dollar they collect from the employer.

Mr. Jones' present position as spokesman for the stock casualty companies is not a comfortable one. That is evident. He would find it "bad business" to admit to employers who are concerned with "keeping down costs" that a substantial part of the cost of their workmen's accident insurance is represented by unnecessary toll taken by commercial insurance companies. But when Mr. Jones attempts to shape the issue anew by assailing progress in workmen's compensation, by playing upon the fears of employers, by urging a return to the inadequacies of the experimental days of compensation for work accidents, he over-reaches. He invites critical scrutiny of his new propaganda when he goes to the foolish length of charging that his alleged "dangerous tendencies in the workmen's compensation laws," will if unchecked "mean general health insurance, general life insurance, general old-age insurance and much unemployment insurance."

A careful analysis of the fourteen principal "dangerous tendencies" conjured up by Mr. Jones reveals practically no evidence of the existence of such trends in compensation development and demonstrates that many of the conclusions he reaches have no basis in fact.

Each charge is herein set forth and contrasted with the actual facts found upon examination of the then existing forty-two state compensation acts and pertinent court opinions.

I.

Mr. Jones Asserts:

"Some of our American compensation laws * * * provide for compensation for every 'injury' resulting from the employment—including diseases by omitting the requirement that the injury must be 'by accident.' * * * Where such tendency prevails it means that the Commission * * * can hold industry responsible for any and every impairment of health in any way or degree contributed to by the patient's going to work."

The Facts:

Although there are as a matter of fact several compensation laws which omit the phrase "by accident" but do not pay for occupational

disease,[1] there is a tendency to recognize that a worker who is disabled by an occupational disease should be compensated. The principle underlying the whole theory of workmen's compensation that industry should bear the financial cost of occupational injuries is unassailable whether the disability results from an occupational disease or an accident. Even Mr. Jones is forced to recognize this principle when he admits he would compensate some of the victims of industrial disease in accordance with the limited "schedule system" —a method which has proved to be as unjust as it is inadequate. The "all inclusive system," which Mr. Jones would have employers fear as a costly burden on industry, is the only just means of providing compensation for disability due to occupational disease, and, according to the casualty insurance rate makers themselves, would be equivalent to not more than "one per cent increase in compensation cost" over the cost of compensating accidental injuries alone. Experience in several states, conclusive as to the practicability, low cost, and success of this method, dissipates the bugaboo which Mr. Jones labels as so "dangerous."

II.

Mr. Jones Asserts:

"It was originally contemplated that a claim must promptly follow the accident—six months being the usual time limit in the earlier laws * * * (But) there is a general tendency to extend the time limit for claims to two or even three years after the accident."

The Facts:

The acts generally allow one year in which to file claims and many so provided when first enacted. Several laws limit the time to six months and five[2] states permit two years. There is no act which allows three years. The only evidence of a "tendency" during the past eight years appears to be in **reduction** in the time limit in Colorado! Just the opposite of what Mr. Jones states.

III.

Mr. Jones Asserts:

"In our impatience to get rid of the excessive litigation under the old liability laws, the political officials who administer our compensation laws have quite commonly been made final judges of all questions of fact, in some states subject to no review by the courts whatsoever—except upon appeal by

[1]Iowa, Michigan, Texas, Washington, West Virginia, Wyoming.
[2]Indiana, Iowa, Minnesota, Ohio, Wisconsin.

the claimant. In the states last referred to, employers have no right even to be heard and present evidence."

The Facts:

Mr. Jones has selected his words with care. He is, of course, without openly saying so, referring to the acts which provide exclusive state funds.[3] The private insurance interests, for obvious reasons, have opposed this principle of compensation insurance since its inception. It is unnecessary to explain here why the state fund principle has operated with marked success and resulted in substantial financial benefits to the employer. Under the provisions of these acts the claimant only may appeal to the courts. The employer who contributes to the fund is relieved of all liability for injuries that come within the scope of the act. The state fund assumes the obligation and becomes the defendant. The agent of the fund is the commission and consequently the decision of the commission is final so far as the defendant, the state fund, is concerned.

IV.

Mr. Jones Asserts:

"The first requirement was that the accident * * * must 'arise out of and in the course of the employment.' This provision has been 'liberalized,' here and there, to require **only** that the accident arise 'in the course of the employment,' so that if * * * a town is wiped out by an earthquake or tornado those employees who are injured and the dependents of those who are killed while then at work shall be compensated, though other sufferers from the same identical cause must bear their own losses."

The Facts:

There are seven states[4] that provide in effect for the one requirement: that the accident arise "in the course of the employment." Since this provision appeared in four[5] of these acts when the law was first enacted—in the states of Ohio and Washington, for example, in 1911—it is hardly accurate to describe it as a "tendency." Moreover, Mr. Jones would find difficulty in substantiating his charge that under such a provision an employee could be compensated for an injury that had no connection with his employment. The United States Supreme Court in construing the Utah act[6]

[3]Nevada, North Dakota, Ohio, Oregon, Washington, West Virginia, Wyoming.
[4]Arizona, North Dakota, Ohio, Pennsylvania, Texas, Utah, Washington.
[5]Ohio, Pennsylvania, Texas, Washington.
[6]Cudahy Packing Co. *v.* Parramore, 263 U. S. 418.

declared: "It may be assumed that where an accident is in no manner related to the employment, an attempt to make the employer liable would be so clearly unreasonable and arbitrary as to subject it to the ban of the Constitution." The opinion establishes the fact that there must be "a causal connection between the injury and the business."

V.

Mr. Jones Asserts:

"When the original compensation laws were under consideration, their proponents were concerned almost entirely with **traumatic** injuries and the natural consequences of such injuries. But after adoption the compensation laws were construed to mean that where an accident 'lights up,' aggravates or accelerates a preexisting disease, or the **injury resulting** from an accident increases the disability **from a preexisting injury or impairment,** the combined consequences of the two causes shall be charged **entirely** to the accident and compensated for accordingly."

The Facts:

All compensation laws are not so construed. Twenty-eight acts[7] specifically preclude such construction either by providing that compensation shall be based on the wages earned at the time of the later injury or that the employer shall be liable for the second injury only. "Furthermore—and contrary to Mr. Jones' claim—there is a "tendency" in legislation to absolve the employer from liability for a preexisting disability. For example, the California act provides that "in case of aggravation of any disease existing prior to such injury, compensation shall be allowed only for such proportion of the disability due to the aggravation of such prior disease as may reasonably be attributed to the injury."[8] No such provision appeared in the California law at the time of its adoption. The Arizona law provides that "where there is a previous disability * * * the percentage of disability for a subsequent injury shall be determined by computing the percentage of the entire disability and deducting therefrom the percentage of previous disability as it existed at the time

[7]Alabama, Arizona, California, Colorado, Delaware, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Maine, Michigan, Minnesota, Nebraska, Nevada, New Mexico, New York, North Dakota, Oklohoma, Oregon, Rhode Island, South Dakota, Tennessee, Texas, Virginia, Wisconsin, Wyoming. (Comparisons in the present discussion were made before Missouri finally joined the workmen's compensation states.)

[8]Sec. 3, (4).

of the subsequent injury".[9] The original law contained no such provision. Moreover, the proponents of compensation legislation are scientifically meeting one phase of the problem by endeavoring to secure the enactment of the "second injury" clause which provides that in case an injury combined with a previous disability causes permanent total disability, the employer shall be liable for the second injury only, the balance of the compensation for the total disablement to be paid out of a special fund. Ten states[10] have already adopted the principle. Finally, Mr. Jones, in support of his contention, cites the case of Hartz *v.* Hartford Faience Co., 90 Conn. 539. He did not mention the fact that the Connecticut act now provides that "in any case of aggravation of a disease existing prior to such injury, compensation shall be allowed only for such proportion of the disability due to the aggravation of such prior disease as may reasonably be attributed to the injury."[11]

VI.

Mr. Jones Asserts:

"At first 'injury by accident' was generally agreed to mean 'an injury resulting from an unexpected and fortuitous event, happening more or less suddenly at a definite time and place.' But this definition has since been liberalized to require only that the injury be unexpected, fortuitous, etc. (the injury being treated as the accident), it not mattering that the injury was not caused by an accident but resulted from merely normal and customary activities."

The Facts:

Mr. Jones evidently refers to the ten acts[12] which omit the word "accident" or "accidental" in the definition of injury. In practically every instance, the word "accident" did not appear in these laws when they were adopted and it is consequently inaccurate to describe the use of the phrase "injury" or "personal injury" in lieu of accidental injury" as a "tendency" in compensation legislation. Moreover, irrespective of the particular phraseology that a legislature chooses to employ, there must be the constitutional requirement of

[9]Sec. 70, (c), (x).

[10]Illinois, Massachusetts, Minnesota, New Jersey, New York, North Dakota, Ohio, Oregon, Wisconsin, Utah. In addition, West Virginia by administrative interpretation does exactly what Oregon and North Dakota do by law.

[11]Sec. 5341, construed to apply to disease only in Saddlemire *v.* American Bridge Co., 110 Atl. 63.

[12]California, Connecticut, Iowa, Massachusetts, Michigan, North Dakota, Ohio, Texas, West Virginia, Wyoming.

"causal connection"[13] between the injury and the employment. It doesn't seem possible that one who has accepted the principle of workmen's compensation could paradoxically urge that every injury caused by the employment that happened to come about from "normal and customary activities" should be excluded.

VII.

Mr. Jones Asserts:

"The original compensation laws all provided for compensation payments so long as the injured employee remains disabled. Unfortunately there are many cases where the prospect of a pension produces a prolongation of disability * * * due to * * * 'pension mania,' 'malingering' etc. Some of our American laws meet this evil, (by limiting the amount or duration of payments). But * * * there is a strong tendency to eliminate all checks * * * and to so extend and enlarge the benefits as to incite to such abuses."

The Facts:

Of course Mr. Jones is again mistaken, for several of the original compensation laws did not provide for payments for the duration of the disability.[14] Many states, however, do recognize the principle laid down in the original California and Wisconsin acts, for example, and require that compensation be paid so long as the disability shall last. When payments are restricted by arbitrary limits, the object of the law is in part defeated for as soon as the compensation is cut off the financial burden of the accident reverts to the worker. This is exactly what the compensation laws are designed to avoid. The removal of limits on death and permanent total disability payments would affect less than 1 per cent of all compensation cases, and yet for those few cases it would eliminate the most extreme hardship. Mr. Jones is evidently not prepared to defend the use of such limits, as he refers to them as being "perhaps not most (appropriate)." Incidentally, the Connecticut cases cited in support of his contention cannot be regarded as pertinent, because the Connecticut act does in fact provide the very "checks" that he contends are being eliminated.

VIII.

Mr. Jones Asserts:

"The tendency has been to remove all limits upon the obligatory medical benefit and to give the injured employee the choice of physician (which, with unlimited medical benefit, would mean unbridled exploitation)."

[13]Cudahy Packing Co. *v.* Parramore, 263 U. S. 418.
[14]Nevada and New Jersey (1911), for example.

The Facts:

There most certainly is a tendency to require that the employer provide all necessary and reasonable medical attendance. The soundness of the principle is so universally recognized, because not only do inadequate medical benefits cause unnecessary suffering to the injured worker, but also unnecessary cash compensation expense to the employer and the community. Compensation acts almost invariably include provisions controlling medical fees and rates. Moreover, Massachusetts and Rhode Island alone—and from the beginning—have permitted the worker to select his own physician at the expense of the employer. To declare that the tendency has been to give the injured employee free choice of physician is thus also a misstatement of fact.

IX.

Mr. Jones Asserts:

"In determining the wage earning capacity many of our compensation laws have been so liberalized in their terms or construction as to measure the compensation of a drifter or part time worker upon the earnings of a full time worker. To fix annual earnings arbitrarily at 300 times a full day's pay even though fewer working days per year are customary * * * and in many other ways to exaggerate the earnings. The result (may be) compensation equaling or exceeding the true wage loss."

The Facts:

There are many and various methods employed in an effort to accurately measure the earnings of an employee. Six acts[15] "fix annual earnings arbitrarily at 300 times a full day's pay," and they so provided in practically every case when the act was originally enacted. But these laws permit the use of this method only when it can "reasonably and fairly be applied," as for example when the employee has been working "in the employment in which he was working at the time of the accident during substantially the whole of the year immediately preceding his injury." Moreover, Illinois and Maine, for example, include special provisions for part time and "seasonal" employees. Under the New York act which does not contain such special provisions, if the worker is employed for less than six days per week his wages cannot be computed by the "arbitrary" method referred to.[16] Finally, almost without exception, the

[15]Illinios, Iowa, Maine, Oklahoma, Texas, Wisconsin.
[16]Limone *v.* Atlas Can Co., 202 App. Div. 862.

acts specifically exempt from coverage casual workers and persons not in the usual course of the employer's business.

X.

Mr. Jones Asserts:

"In case of fatal injury * * * the compensation laws are now, variously, providing for full pensions to widows of workmen whose deaths are only slightly accelerated by their work * * * and full pensions to persons only temporarily or occasionally assisted by the deceased."

The Facts:

All states limit death benefits by number of weeks or amount, or both, with but six exceptions,[17] which provide "full pensions" to widows. Five of these six acts so provided when the laws were first enacted. If Mr. Jones accepts the principle, as he evidently does, that "the loss for which compensation is due is the loss of the provision out of his earnings that the deceased would have made * * * had he not been killed" he would have difficulty in showing why compensation should not be paid to widows until "death or remarriage." In respect to other dependents (parents, brothers, sisters, etc.) these six acts provide for compensation only if the person is dependent upon the deceased at the time of his death, such compensation to be paid only so long as the dependency lasts, with additional arbitrary limits as to age, time or amount.

XI.

Mr. Jones Asserts:

"Originally, everybody conceded that, as a condition to the right to compensation, the employer should be entitled to notice of the accident as soon after its happening as practicable. * * * This condition to liability is being gradually whittled away either by liberalizing the language of the statutes or their construction. * * *"

The Facts:

The acts provide variously that notice of the accident must be given "forthwith," "as soon as practicable," "immediately" and in the laws that specifically limit the time, the period usually varies from 48 hours to 30 days. How was the phrase "as soon as practicable" **originally** construed? California provided (1913) 30 days, Wisconsin (1911) 30 days, New Jersey (1911) 14 days, Iowa (1913) 15 days, Maine (1916) 30 days. During the past eight years there have been but two changes made in this require-

[17]Nevada, New York, North Dakota, Oregon, Washington, West Virginia (Oklahoma not covered).

ment. New York increased the period from ten to thirty days and Colorado reduced the period from thirty to two days. It is rather difficult to see just how "this condition to liability is being gradually whittled away." The acts almost invariably provide that delayed notice may be excused only if the employer has not been prejudiced thereby.

XII.

Mr. Jones Asserts:

"It was never contemplated originally that there should be no finality in the decision of compensation claims, although it was generally agreed that there should be exceptional latitude for the correction of errors and for amendments of awards in case of change in conditions. But now it is the rule in some states and is being urged in others that the administrative board shall have the power, **at any time and for any reason,** in discretion, to amend any previous award or decision, any amendment in favor of a claimant to relate back to the beginning."

The Facts:

It was generally agreed and it is obviously essential for the protection of both employer and employee, that the commission should have continued jurisdiction over claims. Awards must necessarily be modified as the disability increases or decreases. Thirty-four[18] states accordingly provide for the amendment of awards on the ground of change in conditions or disability. Michigan and Minnesota less definitely provide that the facts or merits of the case must warrant such action. North Dakota, Ohio, Utah and West Virginia permit the modification of an award if, in the opinion of the commission, it is justified. The inference from Mr. Jones' statement is that this is a recent development. But these four acts contained the identical provision when they were enacted. Incidentally, the Ohio act was enacted in 1911. There is, therefore, no evidence of any "tendency" whatsoever present in this phase of workmen's compensation procedure. The statement that with such provision "a liberal administration, seeking for popularity, might at any time review outstanding awards wholesale and increase payments, both for the past and the future indefinitely," is an assertion that the commissioners in these four states, among others, should insist that Mr. Jones prove.

[18]Alabama, Arizona, California, Colorada, Connecticut, Delaware, Georgia, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Montana, Nebraska, Nevada, New Jersey, New York, New Mexico, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Dakota, Tennessee, Texas, Utah, Virginia, Washington, Wisconsin, Wyoming.

XIII.

Mr. Jones Asserts:

"The tide is running strongly toward a general disregard of judicial principles in determining facts in disputed claims. Many of our compensation statutes authorize the commissioners to disregard all 'common law rules of evidence' and some provide for a presumption to the effect that every claim for compensation is valid in the absence of substantial evidence to the contrary."

The Facts:

There are seventeen acts[19] providing in effect that the commission shall not be bound by common law or statutory rules of evidence or by technical or formal rules of procedure. The necessity of modifying the factors that would render the disposition of compensation cases slow, complicated and costly was recognized when compensation laws were originally adopted.[20] To declare that "with this tendency prevailing"(or, to state it accurately, that as a result of this accepted principle in compensation procedure) "physical misfortunes that appeal to the sympathy or favor of the triers of facts are more and more being made subjects for compensation, **in absolute contradiction of the provisions of the law"** is a charge so serious that Mr. Jones should be called upon to substantiate his assertion.

XIV.

Mr. Jones Asserts:

In conclusion, to show "how steadily and persistently the burden on industry is growing," Mr. Jones submits "estimated figures showing the increasing cost" of compensation in several states.

The Facts:

Unfortunately, for his argument, he selected New Jersey and Minnesota. Under the original New Jersey and Minnesota acts disputes between employer and employee were settled by the courts and consequently these cost indices are based on acts which were administered by the courts. The investigations in several states which provided for court administration have revealed serious underpayments to injured workmen—instances where employees received not one cent of the compensation legally due and other evidences of a lax and inefficient enforcement of the law. It is to be expected

[19]Arizona, California, Connecticut, Iowa, Kansas, Louisiana, Maryland, Minnesota, Montana, New York, North Dakota, Oklahoma, Pennsylvania, Rhode Island, Utah, Vermont, West Virginia.

[20]For example, California (1913), Connecticut (1913), Maryland (1914), New York (1914).

that compensation costs would be less under such unfair conditions! It is interesting to note in this connection that the most substantial single increase in the Minnesota cost index appeared after the improving amendments of 1921, the same year when the industrial commission was created. Would Mr. Jones undertake an argument in favor of court administration? The inference in Mr. Jones' statement is that the increasing cost is due to the fourteen "dangerous tendencies" he sets forth. But the Minnesota act contains but two provisions that Mr. Jones condemns: it requires that proceedings begin within two years and that the commission shall not be bound by common law rules of evidence or formal rules of procedure. The New Jersey act provides that the commission shall not be bound by rules of evidence. Both acts define injury as personal injury by accident arising out of and in the course of employment, only specified occupational diseases are compensable, medical benefits are limited, compensation for disability and death benefits are limited and so on, almost without exception, through the list. The increasing cost of compensation in these two states is probably explained by the natural effort to adjust the scale of benefits in the direction of the increase in the cost of living since the laws were enacted. Thus, for example, the original, inadequate Minnesota act provided a $10 maximum weekly benefit and a two-week waiting period. Under the present law, a disabled worker is protected by a $20 weekly maximum and a seven-day waiting period.[21] Are not these adjustments reasonable and just?

* * * * * *

Mr. Jones reveals himself as desperately aware of the increasing realization on the part of employers that the insuring of compensation risks in stock casualty companies is steadily becoming excessively costly, both for the employer who pays the premium and the consumer who bears the ultimate cost. In his effort to combat this economic fact and preserve valuable business for the commercial interests he represents, Mr. Jones assumes the role of alarmist. He has made statements that are not based upon facts. He has gone to ridiculous extremes to find support for his frantic plea that we should "hark back"—to quote his own words—to the experimental form of compensation law. In the light of the facts, Mr. Jones' address reveals itself as propaganda for the benefit of a special private interest at the expense of the public welfare.

[21] The scale of benefits in the New Jersey act has increased in about the same proportion.

Progress in Compensation for Children Injured While Illegally Employed

ONE of the most interesting and effective inventions in social insurance is the inclusion in workmen's accident compensation laws of a requirement that extra compensation shall be paid to minors who are injured while illegally employed.

Vitality is given to such requirement by providing that the extra compensation cannot be shifted to the insurance carrier but must be paid directly by the offending employer.

This legislation, for years urged by the American Association for Labor Legislation, has double merit: (1) it more adequately protects the child-victims of industrial accidents; (2) it furnishes a strong financial incentive to employers to comply with child labor laws.

Double compensation for illegally employed minors has already been adopted in four states. Wisconsin in 1917 provided for treble compensation for minors injured while illegally employed, and this was subsequently changed to double compensation for minors employed illegally and treble compensation if the injury occurred in a prohibited employment. New York and New Jersey provide that the awards shall be doubled in the case of illegally employed minors. Indiana also provides double compensation, with certain limitations. In addition to these states Oregon has taken action, merely providing, however, that when children illegally employed are injured the employer must pay into the state fund a penalty equal to 25 per cent of the compensation, but not exceeding $500.

In describing Wisconsin's successful experience with treble compensation, the chief of the Wisconsin Legislative Reference Library wrote in this REVIEW more than three years ago:[1]

"Considered as a penalty for violations of the child labor law, the treble compensation provision of the Wisconsin compensation act is by far the most effective penalty ever devised."

[1] "Treble Compensation for Injured Children," by E. E. Witte, *American Labor Legislation Review* Vol. XIII, No. 2, June, 1923, pp. 123-129. See also "Accidents to Illegally Employed Children: Extra Compensation Proves of Aid in Enforcing State Child Labor Law," *American Labor Legislation Review*, Vol. XVI, No. 2, June, 1926, pp. 187-189.

The constitutionality of the treble compensation plan has in several cases been sustained by the supreme court in Wisconsin.[2] In New York, while the courts have not passed directly upon the question, there have been cases in which the industrial commission has doubled the compensation and the award has been upheld.[3] In Indiana the appellate court has twice held the double compensation amendment unconstitutional owing to a technical error in drafting.[4] The decisions were based on the fact that the section as amended was not "set forth at full length" in the amending act, as required by the state constitution. Final decision as to the constitutionality of a law under the state constitution rests with the state supreme court, but the decision of the appellate court has the effect of suspending the operation of the law. This now leaves the child who is injured while illegally employed entirely excluded from the benefits of the Indiana accident compensation law.

With the restriction of child labor temporarily at least a matter of state action solely, there is increasing need to put the double compensation incentive into general effect. A majority of the states having workmen's compensation laws will hold legislative sessions early in 1927. The opportunity is at hand to strike a telling blow against the national shame of maiming and killing children who are put to work in defiance of the law.

[2]Brenner *v.* Herubin, 170 Wis., 565 (1920); Mueller and Sons Co. *v.* Gothard, 173 Wis., 135 (1920); Faust Lumber Co. *v.* Gaudette, 173 Wis., 136 (1920).

[3]For example, in Estenich *v.* Fort Plain Iron Co., 213 App. Div., 842.

[4]Beattie *v.* Kimble, 150 N. E. 926; *In re* Industrial Board, 128 N. E. 938.

Two "Investigations" That Call For Close Scrutiny

TWO inquiries are at present under way that will bear watching by the friends of protective labor legislation. One is being conducted by the New York State Industrial Survey Commission on the operation of labor legislation, including workmen's accident compensation and women's hours; the other by the National Civic Federation on old age dependency.

Both "investigations" deal with measures that are generally accepted or for which there is a strong public demand, and the viewpoint of those sponsoring the inquiries, as well as the source of financing, are significant.

The New York State Industrial Survey Commission was created by the 1926 legislature.[1] Its creation was a subterfuge engineered by opponents of labor legislation as a means of evading action on a number of important bills limiting women's hours and strengthening the workmen's compensation act. The resolution calling for a year's "investigation" of labor legislation by the special commission was framed up by Mark Daly, lobbyist for Associated Industries, Inc., and put through by a reactionary Republican majority. These "slick" tactics of delay involved, in the case of the women's forty-eight-hour bill, a disgraceful betrayal of a party platform pledge.

Following a number of hearings by the commission, Mark Daly on October 19, in an address at Buffalo, made a plea to business men to get busy and present testimony to the commission. "The future restriction and regulation of New York State business by the legislature," he said, "will be based on the facts adduced by the New York State Industrial Survey Commission which is seriously handicapped by lack of funds. Presentation of the facts is clearly the duty of business men, and," he added dramatically, "they will sink or swim upon the facts presented by the survey commission."

More to the point, Mr. Daly announced that "the National Industrial Conference Board has been retained for the research, which, it is expected, will require two years to complete." The

[1]See "Opposition Tactics Against Women's Forty-eight-hour Bill," *American Labor Legislation Review*, Vol. XVI, No. 1, March, 1926, pp. 20-21.

Industrial Conference Board is an organization of employers' associations. Its retainer from Mr. Daly's Associated Industries, Inc., for thus assisting the state survey commision, it is reported, is $100,000.

Mr. Daly's tactics of delay are further illuminated by his remarks. This "investigation" was, at the time the resolution was concocted, supposed to take a year. Now—with Associated Industries financing assistance to the state's committee in assembling facts—Mr. Daly says it "will require two years to complete."

With respect to the National Civic Federation's inquiry into old age dependency, it is obvious that this action is prompted by recent progress in old age pension legislation in this country to which the Civic Federation has been bitterly opposed.

In announcing this inquiry, Mr. Charles L. Edgar, chairman of the Federation's industrial welfare department, refers to the "great magnitude" of the problem of old age pensions and anticipates the findings to the extent of declaring that "foreign experiences" prove that old age pensions under state auspices "increase pauperism" and "impose severe taxation burdens." He makes no mention, however, of recent findings of official state commissions in America that statewide old age pensions are more humane and more economical than poorhouses.

That the Federation's inquiry will be well financed is indicated by Mr. Edgar's statement that "the furthering of this study has been made possible by a substantial contribution from the Carnegie Corporation of New York."

The attitude of the National Civic Federation was plainly expressed three years ago by the chairman of its executive council, Ralph M. Easley, in a letter he sent out for contributions **"to help in the campaign we are waging against non-contributory old age state pensions."**[2]

On the Federation's letterhead appeared the names of several prominent labor officials as members of its executive committee "on the part of wage-earners." These labor officials promptly repudiated the Federation's war on old age pension legislation. The late Samuel Gompers was also on the Federation's committee—a connection which his successor as President of the American Federation of Labor, William Green, has not made. (Mr. Green's union, the

[2]See "Easley War on Old Age Pensions Opposed by Labor Colleagues," *American Labor Legislation Review*, Vol. XIII, No. 2, June, 1923, p. 138.

United Mine Workers, by formal resolution, does not permit its officers to lend their names to the National Civic Federation.) The United Mine Workers, also, has long had a special committee at work to aid in the enactment of statewide old age pension laws. And Mr. Gompers, in the course of the Easley campaign in 1923, vigorously declared that reports that he was organizing opposition to old age pension bills in the state legislatures "are without foundation and are absolutely false."

Tactics of the opposition are thus in evidence in these two "investigations" into protective labor legislation. What weight legislators and others will give to the findings remains to be seen—and should of course be measured by their intrinsic worth. Both inquiries call for close scrutiny.

"Business Cycle" Wastes

"ONE of the largest wastes hitherto in our whole economic system is the periodic booms and slumps of the "business cycle." The waste of the boom through speculation, overproduction, ill-advised expansions, extravagance, relaxed effort, and decreased efficiency, with its inevitable collapse, is followed by still greater wastes during the depression of unemployment."—SECRETARY HOOVER, *in his 1926 annual report.*

Opposition Propaganda At Work Against Old Age Pensions

A CAMPAIGN of misrepresentation is under way in Pennsylvania to block the adoption of a constitutional amendment permitting the state to care for its worthy aged dependents through old age pension legislation.

When the courts nullified the Pennsylvania old age pension law of 1923 because of a peculiar provision in the state constitution, a movement was promptly started to amend the constitution so that it could no longer stand in the way of enlightened and badly-needed action. Such an amendment was passed by the legislature of 1925. If it is again passed in the 1927 session, the amendment will be voted upon by the people in 1928.

Now comes the Pennsylvania State Chamber of Commerce, through its official organ *Pennsylvania Progress,* urging that "every effort" be made to defeat the proposed amendment in the 1927 legislature so that it will not get to the voters.

In its attempt to prejudice taxpayers against what it terms the "old age pension menace," this businessmen's publication says:

"While no definite figures are at hand to show just exactly what such a system would cost the taxpayers of the State of Pennsylvania, yet it is estimated that the total amount involved would be from $40,000,000 to $60,000,000 annually. These figures are based on the report of a commission appointed by Governor Brumbaugh in 1917 which calculated its finding on the census of 1910 and which developed that $32,000,000 would be needed annually to defray this item of expense.

"As our population has materially increased in the past 16 years, it is obvious that the first estimate of forty to sixty millions is not any too exorbitant."

This statement was promptly challenged by John F. O'Toole, a member of the State Old Age Pension Commission. He pointed out that "no commission in Pennsylvania ever made the estimate you suggest." And, quoting a summary prepared by A. Epstein the commission's research director, he said:

"In its report to the 1925 Legislature, this commission, in large type, declared that, 'based upon as accurate and scientific figures as are ascertainable, we find that even if every aged person in the State, qualified under the law, would be given assistance, **the cost would not amount to more than approximately $5,000,000 a year, or about 57 cents for each**

citizen in the State. This is a big sum of money until it is recalled that for this sum we would be able to take care of three times the number of persons now taken care of in our almshouses, which expenditures, if everything be included, amount to at least $8,000,000 a year.'

"In showing the approximate cost of an old age pension law, the Commission pointed out that such a law could be supported on but 56 cents per $1,000 of the taxable property, and only 24 cents per $1,000 of the wealth of the State."

But the inspired agent of the State Chamber of Commerce did not rest content with stretching the cost of statewide old age pensions from $5,000,000 a year to $60,000,000 for propaganda purposes. He said further:

"Our present system does not neglect the indigent aged and amply takes care of these unfortunates. Why not let it continue in its present form?"

Commissioner O'Toole set up pungent answers to this. He cited "the voluminous findings by the various state commissions which have studied the subject for almost a hundred years and which, without exception, condemned our antiquated method of care of the aged." He quoted the State Department of Welfare which in a recent report declared: "If the heart-rending and revolting scenes that have been witnessed by our own inspectors in visiting these small poorfarms were to be described, you would rise as one man to demand their immediate abolition." He referred to a recent study of almshouses made by the United States Department of Labor and sixteen leading fraternal societies which, in speaking of Pennsylvania almshouses, winds up with the conclusion: "Why Pennsylvania does not rise up in its wrath and wipe out such a hellish system is a continued mystery." And he called attention to a recent editorial in the *New York Times* which, reflecting widespread public sentiment, exclaimed: "What hypocrisy it is to regard the poor-farm as a refuge where indigent adults and the honest poor may find comfort and salvage! How can there be comfort for them when the buildings are in most cases unfit for habitation, filthy, verminous, foully unsanitary? How can there be protection when they have to mingle in narrow quarters with other inmates who are criminals or suffer from loathsome diseases?"

It is significant that Mr. O'Toole finds himself justified in saying to the Chamber of Commerce propagandists: "Your sentiments are typical of but a very inconsiderable number of narrow-minded and bigoted persons who throughout the centuries have stood in

the path of progress and insisted upon 'continuing things as they were.' We have in our office the considered opinions of more than a hundred of our most important business and industrial leaders, and we know that you are simply heaping insults upon their intelligence when you assume that they are as narrow-minded as you contend they are. On the contrary, we know they are vitally interested in the working out of a better program of care of the aged which would ultimately meet the needs of all concerned."

The findings of the Pennsylvania Old Age Commission effectively disposes of the cooked-up "estimate" put out in the Chamber of Commerce campaign—although agents of the Chamber of Commerce, ignoring the commission's protest, continue to go about the state repeating the fantastic "forty to sixty million dollars" propaganda. Other figures also may now be cited—figures out of actual experience with old age pension legislation. Under the Wisconsin law thus far the average pension actually found necessary, and paid, has been only $23.70 a month—a saving on poorhouse maintenance of from $6 to $11 a month for each pensioner. And in Montana, after three years' operation of the old age pension law, there was paid in 1925 an average pension of but $172.16 a year—**a saving on poorhouse maintenance of more than one-third.**

The Two "Veto" Governors

TWO Pacific Coast governors about a year ago vetoed old age pension bills that had passed the legislatures by overwhelming majorities, as reported in the March issue of this REVIEW. They were Gov. Friend W. Richardson of California and Gov. Roland H. Hartley of Washington. In the primary election, August 31, Governor Richardson was defeated for renomination. More recently, steps have been taken to recall Governor Hartley.

Launching the Five-Day Week

PUBLIC interest in the reduction of hours of labor in industry was considerably stimulated recently by Henry Ford's announcement that he had adopted a five-day week in his vast plants and by the declaration of the American Federation of Labor at its Detroit convention that it will work for progressive reduction of hours.

At least three great industries, labor contends, are ready for the five-day week—automobile manufacture for which Mr. Ford testifies the change is practicable, the construction industry in which the five-day week is most strongly intrenched, and coal mining which is suffering acutely from over-development and under-employment.

Commenting on these announcements, an editorial in *Coal Age*, a journal of the coal industry, says: "The bituminous industry is so situated that it can view the discussion on the factual side of the question with something akin to academic detachment. Seldom in the last forty years have the soft coal mines of the United States, as a whole, come within striking distance of that basis. With this industry the question is not how can the number of days worked per year be reduced but how can they be increased. Intermittency of operation has been the industry's curse."

"The country is ready for the five-day week," says Mr. Ford. "It is bound to come through all industry. The short week is bound to come because without it the country will not be able to absorb its production and stay prosperous. * * * The harder we crowd business for time, the more efficient it becomes. The more well-paid leisure workmen get, the greater become their wants. * * * The industry of the country could not long exist if factories generally went back to the ten-hour day, because the people would not have time to consume the goods produced. * * * Just as the eight-hour day opened our way to prosperity, so the five-day week will open our way to greater prosperity."

William Green, president of the American Federation of Labor, announcing that "the American labor movement is strongly in favor of the five-day work week, wherever it is possible," points out that this is an age of great technical progress and industrial development. "Silently, unnoticed by the mass of the people, there are forces work-

ing toward specialization and mass production," he says. "Industries are revolutionizing their whole procedure, with resultant greater productivity of the worker because of higher and higher industrial efficiency. This dynamic, ever-changing characteristic which distinguishes modern industry calls for constant adjustment, so that our social and human values may not be overwhelmed in the general machinizing process and the lives of the workers may not be merged with their machines until they, too, become mechanical."

Similar views are expressed in the *New York Times* by Sidney Hillman, president of the Amalgamated Clothing Workers of America, who declares: "American industry is unquestionably in a position to yield its workers a five-day week. The introduction of machinery, constantly adding to the output of workingmen, is in this country a matter of almost hourly occurrence. Production is here daily rising to heights that would a decade ago have been regarded as unimaginable. The speed and strain of industry are always greater." When the five-day week is achieved generally, Mr. Hillman asserts, "it will be added to those great humanitarian gains of the last half century which sought to limit the labor of children and women and to protect the victims of industrial accidents."

Edward A. Filene, a leading businessman and a director of the International Chamber of Commerce, favors a five-day week, and in an interview lists among its benefits an increase in net production, contentment for the masses, less class warfare, and a better chance to apply political, social and economic remedies to industrial ills. "I consider the five-day week," he says, "as a force that will bring about a reduction of waste in industry. Moreover, it will compel all producers to improve their methods, take the loads more and more off the backs of men and put them on machinery, and, finally, there will be heavier production with costs at a point which will enable us to export temporary surpluses."

Judge E. H. Gary, head of the United States Steel Corporation, and John E. Edgerton, president of the National Association of Manufacturers, take the lead in combatting the five-day working week. Mr. Edgerton fears that if the workers have more leisure there will be an increase of crime, and cites the commandment "six days shalt thou labor and do all thy work." Judge Gary also falls back upon this commandment, and adds: "The reason it didn't say seven days is that the seventh is a

day of rest and that's enough." Doubtless this commandment had not been called to Judge Gary's attention during the years that the Steel Corporation has been forcing thousands of men to labor seven days a week. He says further: "The five-day week is impractical in the steel business and I don't believe it is practicable in any other business." Looking back to 1923 Judge Gary is found doggedly asserting that "I would like to see the eight-hour day in general effect throughout the industry, but **we do not intend to wreck the industry, and that is what would happen if we adopted it."** But when, defeated by public outcry, he yielded to the demand for shorter hours, he found that he had been a bad prophet. Under shorter hours the steel industry has conspicuously and admittedly prospered.

While discussion runs high over the five-day week, there remain thousands of industrial workers who are caught in the grip of the seven-day week. By the extension of protective legislation such unreasonable working periods can be effectively and permanently abolished. In the light of present debate over the five-day week, it is disgraceful that seven-day labor should still be permitted in industry anywhere.

A Good Report Marred by Inaccuracy

By A. J. Altmeyer
Secretary, Industrial Commission of Wisconsin

A RECENT report on "Compensation for Occupational Diseases" issued by the International Labor Office[1] calls for a word of comment. About two-thirds of this report is devoted to an analysis of the provisions of the various workmen's compensation acts. The other one-third of the report consists of a section entitled "General Remarks." This section is devoted to a discussion of the need for compensation for occupational diseases and the problems involved in providing such compensation, and furnishes a very good background for the detailed analysis of the laws. Exception must be taken, however, to the rather naive and unscientific fashion in which the authors of the report place the stamp of approval on the restrictive list plan of compensating for occupational diseases, and summarily dismiss as impractical the attempts in the United States to compensate for all occupational diseases.

The issue raised in this discussion, like the issues raised in discussions of other types of labor legislation, cannot be disposed of satisfactorily by *a priori*, deductive reasoning. The only way to determine whether it is feasible and desirable to cover all occupational diseases is to make a detailed study of the cases arising under a law that is all-inclusive. Wisconsin has had such a law on the statute books for seven years. The experience under this law indicates that the two main objections, excessive cost and inability to determine accurately the causal relation between the occupation and the disease in individual cases, are without foundation. Relative to the first objection, it is only necessary to present the following figures. In 1925, out of 21,137 cases settled under the Wisconsin Workmen's Compensation Act, in which indemnity amounting to $3,490,021 was paid, only 282 were classified as occupational diseases, and the indemnity in these cases amounted to $59,146. To those not actually engaged in the administration of workmen's compensation, the second objection may seem to be conclusively

[1] "Compensation for Occupational Diseases." Series M (Social Insurance) No. 3 of Studies and Reports by the International Labor Office. Geneva, International Labor Office, 1925. 76 pp.

supported by our common knowledge that usually an accident is a definite and conspicuous event, while disease is the outcome of an imperceptible process. However, an analysis of the contested cases decided by the Wisconsin Industrial Commission before occupational diseases were compensated shows that a large proportion of these cases involved the question of whether a pathological condition was the result of an acknowledged accidental injury. Moreover, the experience of the Wisconsin Industrial Commission since the passage of the occupational disease amendment in 1919 warrants the conclusion that it is no more difficult, and often less difficult, to determine whether there is a causal relation between the occupation in occupational disease cases, than it is in those cases of accidental injuries with alleged *sequelae* such as arthritis, neuritis, myocarditis, sarcoma, abscess, embolism.

It is to be hoped that the International Labor Office, in future reports, will give an accurate account of American experience with occupational disease compensation.

Death Stalks the Miners

NINE times within the fourteen weeks from September 3 to December 9 Death struck at the workers in the darkness underground, and took his grim toll. In these nine disasters 140 men were killed—soft coal miners, hard coal miners, iron miners, and tunnel workers—and, in two cases, 48 were spectacularly saved.

Tahona, Okla., Sept. 3.—Sixteen men lost their lives in a soft coal mine explosion, in which one slope of the mine was wrecked.

Kansas City, Mo., Sept. 15.—Eight men were killed while working in the Missouri river tunnel which caved in following a dynamite explosion. Five of the men were married and three had families of children.

Ironwood, Mich., Sept. 24.—Forty-six miners at work in an iron mine were caught by a cave-in of the shaft. Three were crushed to death, and 43 were imprisoned for 120 hours in a chamber 727 feet below the surface. A total of 470 men engaged in the rescue work. When success finally crowned their efforts, "a shout of rejoicing went up from the throng of 5,000 crowded about the shaft of the mine when the first of the 43 miners stepped out of the hoisting cage. His wife and eight children, the youngest a babe in arms, were on hand to welcome him."

Rockwood, Tenn., Oct. 4.—A bituminous coal mine explosion sent 27 miners to sudden death. The *New York Times* reported that "the cause of the explosion was unofficially explained as the ignition of coal dust in the mine entry which was said to be exceedingly dry and dusty." A year ago a similar tragedy in the same mine killed ten men. Twenty-two of the 27 recent victims left 67 dependents, including 21 widows. The cost of the explosion, in accident compensation alone, will be about $85,000.

Nanticoke, Pa., Oct. 30.—An explosion of gas in an anthracite mine killed 9 miners.

Ishpeming, Mich., Nov. 3.—A cave-in followed by flooding at the shaft of an iron mine took the lives of 51 miners, wiping out "nearly every man resident of this little mining settlement." As the slow work of bringing out the dead proceeded "there were only two men residents of the community to help. The disaster left 160 orphans."

Moundsville, W. Va., Nov. 15.—Five miners were killed in a bituminous coal mine explosion. The disaster occurred shortly before the normal working force of 300 men were scheduled to begin their day's work in the mine.

Hazelton, Pa., Nov. 16.—Flooding of an anthracite coal mine entombed six miners. Following nine days of feverish rescue work, five of the men were brought out unharmed.

Princeton, Ind., Dec. 9.—A mine disaster due to a coal dust explosion killed twenty miners. According to press dispatches as this REVIEW goes to press, fourteen additional miners were still in the underground workings, their

fate unknown, and rescue workers were experiencing great difficulties in reaching these men or their bodies. "Despite the damp and dismal weather and a cold wind, hundreds of relatives and on-lookers pressed close to the roped-off area around the mine mouth."

As this REVIEW goes to press, dispatches from Canada report a coal dust explosion at Lethridge, Alberta, in which 10 miners are believed to be killed.

This series of tragedies emphasizes the ever-present menace of death in the mines. They indicate anew the urgent need of the universal adoption of modern and effective mine safety codes.

Adoption of Rock Dusting Laws Now Up to State Legislatures

TWENTY-THREE of the twenty-six bituminous states will hold legislative sessions during the early months of 1927. Four of these states—Utah, Pennsylvania, West Virginia and Wyoming—have already provided for rock dusting the mines to prevent disasters due to coal dust explosions. Similar action is one of the most pressing duties now confronting the following states:

Alabama
Arkansas
Colorado
Illinois
Indiana
Iowa
Kansas
Maryland
Michigan
Missouri
Montana
New Mexico
North Dakota
Ohio
Oklahoma
South Dakota
Tennessee
Texas
Washington

In the first eleven months of 1926 there have been 13 "major" disasters due to coal dust explosions in which a total of 300 men were killed. During the past five years 48 such mine explosions have killed 1,505 men.

The real tragedy of this continuing—and appalling—toll of human lives is that it is almost wholly needless. It can be prevented by the simple and inexpensive safety device of sprinkling the underground workings with rock dust.

Since the American Association for Labor Legislation began its present campaign for coal mine safety, the rock dusting safeguard has been endorsed as standard practice by the American Engineering Standards Committee. Specific provisions for rock dusting have been approved by the United States Bureau of Mines and the Mine Inspectors' Institute of America, as well as by miners and by progressive coal operators. Finally, at its Detroit convention in October, 1926, the American Federation of Labor came out for rock dusting. Over 166 substantial coal companies have already equipped or have begun to equip their mines with rock dust, a safeguard which costs less than one cent a ton of coal mined. The Associated Companies are now refusing to carry workmen's accident compensation insurance on any gaseous or dusty bituminous mine which is not rock dusted to standard.

The urgent need is to make the rock dusting practice universal. Responsibility for action is squarely up to the states. Every year of delay means sudden and terrible death to about 300 miners; distress and destitution to their families, and millions of dollars of cost to the community through accident compensation claims, damage to property, and charity. Will the legislators in the bituminous states meet the responsibility that faces them **right now?**

Sixteen Mine Explosions—332 Dead—In Eleven Months!

PROGRAM OF PREVENTION

SINCE the September number of this REVIEW appeared, there have been five "major" coal mine explosions—one at Tahona, Okla., September 3, **killing 16 miners;** one at Rockwood, Tenn., October 4, **killing 27 miners;** one at Nanticoke, Pa. (anthracite), **killing 9 miners;** one at Moundsville, W. Va., November 15, **killing 5 miners,** and one at Princeton, Ind., December 9, **killing 20 miners.**

These tragedies followed disasters due to coal mine explosions at Wilburton, Okla., January 13, **with 91 dead;** at Farmington, W. Va., January 14, **with 19 dead;** at West Frankfort, Ill., January 29, **with 5 dead;** at Helena, Ala., January 29, **with 30 dead;** at Horning, Pa., February 3, **with 19 dead;** at Nelson Creek, Ky., February 16, **with 7 dead;** at Eccles, W. Va., March 8, **with 19 dead;** at Port Carbon, Pa., May 6, **with 5 dead;** at Kingston, Pa. (anthracite), **with 7 dead;** at Moffat, Ala., July 21, **with 9 dead,** and at Clymer, Pa., August 26, **with 44 dead.**

A total, for the first eleven months of 1926, of 16 mine disasters in which 332 miners met death.

In 1925, 10 explosions killed 237 men.
In 1924, 10 explosions killed 459 men.
In 1923, 5 explosions killed 265 men.
In 1922, 11 explosions killed 264 men.

That the record for 1926 and 1925 is not quite as shocking as that for 1924 is doubtless due in a measure to the remarkable, though belated activity of coal companies, beginning in 1924, in installing the rock dust safeguard in their bituminous mines—activity which has continued in 1926 until more than 166 mine companies are now rock dusting. However, every year of delay by the states in adopting laws to require rock dusting of all bituminous mines means the tragic killing of about 300 men.

Scores of editors and writers have in recent months cooperated in the campaign for the prevention of needless coal mine accidents by demanding that state legislatures promptly enact laws to require the rock dusting of bituminous mines to prevent coal dust explosions.

How much longer shall these killings continue? ("The great explosions should not be considered to be normal occupational accidents," says the director of the federal Bureau of Mines.) When will the public insist upon removing for all time the dreaded spectre of violent death that stalks through the mines? These questions—which must here again be raised—have been asked in every issue of this REVIEW since December, 1922. And in each new issue, without fail, it has been necessary to record the news of one or more new disasters.

Mine bureaus have existed for many years. Accident compensation laws have provided at least partial relief for those left dependent. **But safety standards are still inadequate. In ten years we have killed more than 25,000 coal miners!** The United States Bureau of Mines has shown that many of the worst hazards of mining can be eliminated. The director of the Bureau has declared that "explosions can and must be prevented." Results, however, depend upon local and state action.

In order to make safety work in the mines more effective the American Association for Labor Legislation is urging the adoption of a program for strengthening protective legislation, which includes—

1. The adoption of uniform legal minimum standards of safety;

2. The use underground of no explosive that is not after scientific investigation numbered among the "permissibles;" the strict limitation of "shooting off the solid;" and the use of shale or approved rock dust to check the spread of coal dust explosions;

3. Reward careful employers and penalize the less scrupulous, by the universal adoption of schedule rating for insurance under accident compensation laws, with a further graduated penalty for cases of willful failure to put into effect legal safety regulations;

4. An adequate mine inspection staff selected upon a merit basis of training and experience, fairly paid, for reasonably long tenure of office and protected from partisan interference whether political or industrial;

5. Greater public authority, federal and state, to procure and disseminate information, and to establish and maintain on a uniform basis reasonable minimum standards of safety.

The Association's program of prevention of needless coal mine disasters—discussed more fully in this REVIEW for March, 1924—has aroused widespread interest. It has been put forward during the past two and a half years with the active co-operation of the press, and after consultation with mine operators and engineers, representatives of the miners' organizations, state and federal mine inspectors, and an examination of published records.

As a result of the Castle Gate explosion in March, 1924, Utah promptly pointed the way by adopting the most comprehensive coal mine safety code in America, including the required use of rock dust. In 1925 three additional states—Pennsylvania, Wyoming and West Virginia—enacted laws providing for the rock dusting of bituminous mines.

Why should there be further delay in the other twenty-one bituminous states in taking the necessary preventive measures? Why continue NEEDLESSLY to destroy property in an essential industry and sacrifice additional hundreds of precious human lives?

Counting the Cost

129 Children, 35 Widows, 2 Dependent Mothers, and 9 Dependent Brothers and Sisters Deprived of their Breadwinners When 44 Miners Were Killed in a Single Coal Dust Explosion

FORTY-FOUR coal miners met a sudden and terrible death in a mine disaster due to a coal dust explosion at Clymer, Pa., on August 26. These 44 men were not the only victims of the catastrophe. They left 175 dependents, 129 of whom were children, to face distress and destitution. Here is the tragic roll call:

SINGLE: (No dependents) Joe Kucyk, John Kucyk, Frank Dusha, Howard Thornburn, Mike Pavlovsky. (With dependents) Wm. MacTavish, **mother and 7 brothers and sisters;** Andy Marco, **mother;** Alex. Trockson, **brother and sister.**

WIDOWER: Wallace Records, **3 children.**

MARRIED: (No children) Tony Yasko, John Gelatko, John Penekans, Steve Debelyak. (With children) Geo. Kingston, **1 child;** Adolph Lipchick, **6 children;** Mike Kollar, **7 children;** Costic Stanish, **6 children;** Joe Kudman, **6 children;** Peter Hankinson, **6 children;** Mike Kucyk, **4 children;** Mike Minsenko, **6 children;** Andy Gall, **7 children;** Joe Toth, **4 children;** Robert Hannen, **4 children;** Matt Dobrenic, **6 children;** Geo. Miholick, **6 children;** Andy Dospay, **1 child;** Mike Sam, **3 children;** Umberto Sumerville, **2 children;** Thos. Gallo, **2 children;** Mike Trockson, **1 child;** Jas. Rumgay, **2 children;** Chas. Ducker, **1 child;** Jay Hetrick, **2 children;** Steve Rostas, **1 child;** O. G. Nelson, **4 children;** Geo. Pavlovsky, **6 children;** Steve Puro, **2 children;** John Puro, **9 children;** John Lezark, **3 children;** Paul Capek, **8 children;** Geo. Last, **3 children;** Geo. Ciako, **5 children;** Chas. Kanias, **2 children.**

Such is the appalling toll of those killed and those left to "count the cost" as a result of **a single coal mine explosion!** Upon the community, too falls a heavy cost in accident compensation, in charitable relief, and in broken and warped lives resulting from coal mine disasters. And mine disasters due to coal dust explosions are **preventable.**

"If Legislatures Rise to Their Duty"

Editorial Comment on Campaign to Prevent Needless Coal Mine Accidents

(Supplementary to Editorial Comment appearing in previous issues of this REVIEW)

New York Times: "Using rock-dust to prevent or limit the explosion of coal-dust in mines should be universal. * * * There are accident compensation laws, but they fall far short of the duty the State owes the coal miners. Safety standards are woefully inadequate. Many of the worst hazards can be eliminated. That they are not is a reproach to American civilization. * * * The omission to provide rock-dusting machinery should be regarded as an offense to be heavily penalized. In another year, if state legislatures rise to their duty, there should not be a mine in America where this simple and inexpensive safeguard is not in use."

Buffalo (N. Y.) News: "There is, as has been said, 'more blood on our coal than one likes to think about.' "

St. Louis (Mo.) Post Dispatch: "The American Association for Labor Legislation is conducting a campaign for eliminating explosions in bituminous coal mines. * * * Here is an occasion where legislatures in bituminous states may legitimately step in and require the application of the proven safety device."

Chicago (Ill.) News: "It has been established scientifically that coal-dust and gas explosions are responsible for most of the mine disasters. * * * American miners are killed at a rate three or four times that in Great Britain. * * * Suitable rock is easily ground into dust, and when spread by means of portable blowers upon the underground surface of the mines, effectually prevents explosions."

Pittsburgh (Pa.) Sun: "Thanks to the comparatively new system of rock dust-dusting, fewer mines are liable to be swept by a sheet of flame than was formerly the case. There remain, however, many that are still unprotected."

Miami (Ariz.) Daily Silver Belt: "Within the past three years four states have enacted laws providing for rock dusting. More than a hundred substantial coal companies have installed this safeguard. The present need is adoption by the remaining twenty-one bituminous states of laws requiring rock dusting, which, as the United States Bureau of Mines has recently declared, is the only known effective means of extinguishing a coal dust explosion."

Chicago (Ill.) Herald-Examiner: "As the veins of coal run deeper, the likelihood of explosions increases. We can't afford, public opinion will not tolerate, preventable loss of life in industry."

Modern Mining: "Certainly coal dust and gas explosions and mine fires do increase the hazards of coal mining and it behooves us to do all in our power to prevent them and to keep the toll of lives down as low as possible when they do occur. The latest safety precaution to combat the propagation of gas and dust explosions is the application of incombustible rock dust to the sides, roof and floor of entries through which an explosion might propagate itself to other parts of the mine."

Philadelphia (Pa.) Record: "During the month of January coal dust explosions caused four major mine disasters in as many states, 144 men being killed. Most of such deaths are needless. * * * The only effective safeguard known is systematic control of the coal dust by means of rock dust. * * * Neglect of this precaution might justly be regarded as a murderous form of economy."

Burlington (N. J.) Enterprise: "This shocking toll of death would have been prevented if all bituminous states required the adoption of the simple and inexpensive safety device of spraying the underground workings with rock dust."

Raleigh (N. C.) News and Observer: "Tragedy stalks in the wake of coal mining, but few, if any, epic stories have as yet come forth from the mines. While a world listened through space to the wireless as it brought messages from the distressed Antinoe, 27 miners quietly went to their death at a mining camp in Alabama. Disaster came to them suddenly, and rescue was impossible. * * * Not thrilling rescues, but prevention of accidents is the great need in mines."

Boston (Mass.) Herald: "Nobody can guess how many lives the rock dusting system saved in that New Orient mine of the Chicago, Wilmington and Franklin Coal Company at West Frankfort, Ill., a name that deserves to go on an honor roll for safety precautions in the business of producing coal. Several times in these columns we have called attention to these coal mine accidents. Several major calamities may be expected to happen in almost any 'normal' year. We have quoted authorities as to what rock dusting may be expected to do. Now, on the basis of the news columns, we are able to cite a shining demonstration of what rock dusting does."

Coal Mine Management: "Scientific experimentation, actual mining application and financial statistics unite in proving that safety demands rock dusting. * * * Meanwhile **practices and methods are being standardized and real progress is being made. Examples such as the one given by New Orient a few weeks ago are making an impression on the mining men of America, an impression that will result in action. And out of these experiences will come laws within the next few years that will be fair, adequate, and effective, and withal sufficiently drastic to bring any recalcitrant operators into line."**

Chicago Tribune: "The Illinois legislature should not delay in this matter. The lives of hundreds of coal miners are in the balance."

Survey Graphic: "It has been amply demonstrated that coal dust explosions need not happen. They can be effectively prevented by spraying the underground mine workings with rock dust. * * * In view of local prejudice against the extension of federal activity and the almost exclusive jurisdiction of the states over mine safety, the legislators in bituminous states cannot escape responsibility for further loss of life in these ever-recurring industrial tragedies."

Labor: "More than a hundred coal companies are now using rock dust—but it is a crime that any fail to use it. The matter is up to the state legislatures; and every labor union man and every humanitarian and scientific society should bring pressure to the limit on state legislators until this simple safeguard is adopted."

Pioneers in Rock Dusting

Roll of Honor of Coal Companies Using Rock Dust to Prevent Coal Dust Explosions

72 New Names Added in 1926!

A Total of 181 Companies

(EDITOR'S NOTE: When in December, 1922, after calling attention to the increasing toll of lives in coal mine disasters, the American Association for Labor Legislation opened its present campaign for the adoption of preventive measures, it was able to secure from federal and state official sources the names of only three coal companies in the United States and Canada that were using rock dust to prevent coal dust explosions. As the campaign has progressed during the past four years, the Association has been informed of the installation of rock-dusting methods by at least 178 additional companies. Such companies should be commended for taking the lead in the adoption of this simple, reasonably inexpensive and effective safeguard against disasters. Following is the list, as of December 1, 1926, of coal companies that have equipped one or more of their mines with the rock dust safeguard, or have begun to install it.)

ALABAMA—14

Gulf States Steel Company—Sloss-Sheffield Steel and Iron Company—De Bardeleben Coal Corporation—Galloway Coal Company—Yolande Coal and Coke Company—Davis Creek Coal and Coke Company—Tennessee Coal, Iron and Railroad Company—Newcastle Coal Company—Alabama By-Products Corporation—Franklin Coal Mining Company—Alabama Fuel and Iron Company—Republic Iron and Steel Company—The Roden Coal Company—Birmingham-Trussville Iron Company.

COLORADO—5

Victor American Fuel Company—Royal Fuel Company—American Smelting and Refining Company—Alamo Coal Company—Colorado Fuel and Iron Company.

ILLINOIS—11

Old Ben Coal Corporation—Valier Coal Company—Union Colliery Company—Madison Coal Corporation—Chicago, Wilmington and Franklin Coal Company—Peabody Coal Company—Industrial Coal Company—Crerar-Clinch Coal Company—Cosgrove-Meehan Coal Company—Bell and Zoller Mining Company—Forrester Coal and Coke Company.

INDIANA—6

Eureka Coal Company—Shirkie Coal Company—Binkley Coal Company—Sugar Valley Coal Company—City Coal Company—Princeton Mining Company.

KANSAS—5

Hamilton Coal and Mercantile Company—Wilbert and Schreeb—Krueger Coal Company—Mackie, J.—Clemens Coal Company.

KENTUCKY—8

West Kentucky Coal Company—Duvin Coal Company—Trio Coal Company—Diamond Coal Company—Pike-Floyd Coal Company—Leckie Collieries Company—Harlan Coal and Coke Company—The Harlan Fuel Company.

MARYLAND—1

The Davis Coal and Coke Company.

NEW MEXICO—5

Phelps Dodge Corporation—Gallup American Coal Company—St. Louis, Rocky Mountain and Pacific Company—Albuquerque and Cerrillos Coal Company—Gallup Southwestern Coal Company.

OHIO—4

Cleveland and Western Coal Company—Wheeling Steel Corporation—Carnegie Steel Corporation—American Sheet and Tin Plate Company.

OKLAHOMA—2

Rock Island Coal Company—Superior Smokeless Coal Company.

PENNSYLVANIA—67

Inland Collieries Company—Pennsylvania Coal Corporation—Pennsylvania Coal and Coke Corporation—Springfield Coal Mining Company—Eastern Coke Company—Tower Hill-Connellsville Coke Company—Republic Iron and Steel Company—Thompson-Connellsville Coke Company—Hecla Coal and Coke Company—Allegheny-Pittsburgh Coal Company—Consumers Mining Company—Hillman Coal and Coke Company—Pittsburgh Terminal Coal Company—Pittsburgh Coal Company—Westmoreland Coal Company—Peale, Peacock and Kerr—Lincoln Gas Coal Company—Creighton Coal Company—Ontario Gas Coal Company—Republic Collieries Company—West Penn Power Company—Oliver and Snyder Steel Company—Buckeye Coal Company—Pickands-Mather and Company—Berwind-White Coal Mining Company—Penelec Coal Corporation—Bethlehem Mines Corporation—National Mining Company—Maryland Coal Company—Pittsburgh Plate Glass Company—Barnes Coal Company—H. C. Frick Coke Company—Orient Coal and Coke Company—Ocean Coal Company—Keystone Coal and Coke Company—Vesta Coal Company—Crucible Fuel Company—Langeloth Coal Company—Pittsburgh and Eastern Coal Company—Carnegie Coal Company—Jos. H. Reilly Coal Company—Ebensburg Coal Company—Monroe Coal Mining Company—Imperial

Cardiff Coal Company—Valley Smokeless Coal Company—Harwick Coal and Coke Company—Valley Camp Coal Company—Peabody Coal Company—Clarkville Gas Coal Company—Monarch Fuel Company—Davis Coal and Coke Company—American Zinc and Chemical Company—Chartiers Creek Coal Company—Graceton Coal Company—Jamison Coal and Coke Company—Lilley Coal and Coke Company—Northwestern Mining and Exchange Company—Poland Coal Company—Edward Tomajko—Warwick Coal Company—Bird Coal Company—Jefferson and Clearfield Coal and Iron Company—Russell Coal Mining Company—Cherrytree Coal Company—Clearfield Bituminous Coal Corporation—Union Collieries Company—Pine Run Company.

UTAH—16

Utah Fuel Company—United States Fuel Company—Columbia Steel Corporation—Royal Coal Company—Independent Coal and Coke Company—Carbon Fuel Company—Liberty Fuel Company—Peerless Coal Company—Spring Canyon Coal Company—Standard Coal Company—MacLean Coal Company—Lion Coal Company—American Fuel Company—Scofield Coal Company—Kenney Coal Company—Mutual Coal Company.

VIRGINIA—1

Stonega Coal and Coke Company.

WASHINGTON—1

Northwestern Improvement Company.

WEST VIRGINIA—27

Boone County Coal Corporation—Island Creek Coal Company—Byrne Gas Coal Company—Bethlehem Mines Corporation—Youngstown Sheet and Tube Company—Raleigh-Wyoming Coal Company—Pocahontas Fuel Company—Jamison Coal and Coke Company—New England Fuel and Transportation Company—Bertha Consumers Company—E. E. White Coal Company—Consolidation Coal Company—Glendale Gas Coal Company—Elm Grove Mining Company—Hitchman Coal and Coke Company—Windsor Power House Coal Company—Ben Franklin Coal Company—Lake Superior Coal Company—Landstreet Downey Coal Company—Crab Orchard Improvement Coal Company—Elkhorn Piney Coal Mining Company—Kingston Pocahontas Coal Company—Ephraim Creek Coal and Coke Company—Davis Coal and Coke Company—Bottom Creek Coal and Coke Company—Stonega Coke and Coal Company—New River Company.

WYOMING—2

Union Pacific Coal Company—Central Coal and Coke Company.

CANADA—6

British Empire Steel Company—Dominion Coal Company—Hillcrest Colliery, Ltd.—International Coal and Coke Company—Crow's Nest Pass Coal Company—West Canadian Collieries.

Labor Legislation of 1926

1. Analysis by Subjects and by States

THE labor laws enacted by the nine states which held regular sessions, by Porto Rico and the states which held special sessions, and by Florida, Hawaii, Porto Rico and Washington whose 1925 session law volumes were not available for review last year, together with the labor laws enacted by the sixty-ninth Congress, first session, are herewith summarized in alphabetical order by subjects and by states, with chapter references to the session law volumes.

Individual Bargaining

1. PAYMENT OF WAGES

Louisiana.—Payment of laborers in script or in anything except current money of the United States, check or draft is forbidden. Penalty, $100 to $500 or imprisonment from ten to thirty days, or both. (C. 318.)

2. MECHANICS' LIENS AND WAGE PREFERENCE

Florida.—Provisions regarding bonding of contractors of public work to safeguard payment for labor are expanded. (C. 13, Laws of 1925.) Lien law is expanded. (C. 17, Laws of 1925.)

Hawaii.—Provisions for garnishment of wages of a debtor are expanded and strengthened. (Act 262, Laws of 1925.) Lien law regarding payment for labor performed upon personal property is amended. (Act 139, Laws of 1925.)

Kentucky.—Mechanics' lien law relating to payment for labor in construction work is strengthened. (C. 182 and 183.)

Louisiana.—Lien laws are revised and expanded to cover all labor on immovable property. (C. 298.) Contractor who defaults on any contract for construction and shall have applied any money received on account of the contract other than in payment for material and labor furnished thereunder is made guilty of misdemeanor. Maximum penalty, six months in jail and fine of $500, or twelve months in jail. (C. 76.)

New York.—Provisions regarding garnishment of wages extended to cover commissions or share of profits based upon work done. (C. 618.)

Virginia.—Period within which suit to enforce a mechanics' lien may be brought is reduced from twelve to six months after time when the total amount covered by the lien becomes payable (C. 31.) Provisions regarding certification of payment of a lien are expanded. (C. 78.)

3. EMIGRATION AND IMMIGRATION

Virginia.—An unpaid commission is authorized to investigate and study operation of existing immigration laws, especially as to their effect upon agriculture and industry in the state. It is to consist of three members appointed by the governor and is to present its findings to Congress. (C. 285.)

4. MISCELLANEOUS

New York.—Any person who, having obtained information from books or

records of his employer, discloses such information without consent of the employer, threatens to do so, aids or encourages, or threatens to aid or encourage another person to do so, is made guilty of misdemeanor. (C. 706.)

Collective Bargaining

1. TRADE UNIONS

New Jersey.—Courts are forbidden to issue injunctions restraining peaceful termination of employment, peaceful picketing, peaceful persuading of any person to work or abstain from working, or to employ or to cease to employ any party to a labor dispute. (C. 207.)

New York.—Regulations affecting trade unions relative to group insurance and incorporation for benevolent purposes are revised. (C. 92 and 722.)

2. TRADE DISPUTES

United States.—The railroad labor board, established by act of 1920, is abolished, and act of 1913 providing for mediation, conciliation and arbitration of disputes between railroads and their employees is repealed. A new act establishes machinery for settlement of disputes which fail of adjustment by usual means of conference between representatives of parties directly concerned. Adjustment boards shall, instead of may, be established by agreement between any carrier or group of carriers and its or their employees, and shall consist of equal numbers of representatives designated by collective action of each of the disputants without coercion by the other. These boards shall deal only with disputes arising out of grievances or interpretation of agreements concerning pay, rules, and working conditions, which have failed of adjustment by the usual means. Decisions shall be by majority vote of the board and shall be final and binding upon both disputants. A board of mediation is created consisting of five, instead of nine, members to be appointed by the President with consent of the senate, at annual salary of $12,000, instead of $10,000, each. Functions of mediation board shall be, upon request of either disputant or upon its own motion, to mediate, but not to hand down decisions, in cases which adjustment boards have failed to settle and in disputes regarding changes in rates of pay, rules, working conditions or other matters which have failed to be settled by conference; in case its mediation is unsuccessful, to endeavor to induce disputants to arbitrate, and to assist in specified ways in arbitration. In case of intended change affecting rates of pay, rules, or working conditions, carriers and representatives of employees shall give at least thirty days' notice and agree upon a place of conference, and no carrier shall alter rates of pay, rules or working conditions while conferences are in progress or services of mediation board have been requested or proffered. In case of failure of mediation board to settle dispute, disputants may agree to arbitrate, in which case the arbitration board shall consist of three (or by stipulation six) members of which each of the disputants shall name one (or two) who shall choose the other member or members. Decision shall be by majority vote and binding upon the disputants unless declared invalid by the district court where it is filed. If dispute is not settled by foregoing means, the President may appoint a board at his discretion which

shall investigate and report to him within thirty days, during which time, and for thirty days following report, no change except by agreement by disputants shall be made in conditions out of which dispute arose. (Public 257, 69th Congress, 1st session.)

Minimum Wage

1. PUBLIC WORK

Hawaii.—Minimum wage of laborers on roads, streets, waterworks and other public works is increased from $2.25 to $2.80 per day. (Act 165, Laws of 1925.)

Kentucky.—Compensation of employees of the general assembly is increased. (C. 69.)

New Jersey.—Wages of fire-wardens and their helpers are increased. (C. 103.)

Porto Rico.—For minimum wage on public work see "Hours."

Virginia.—Wages of certain public employees are increased. (C. 282.)

Hours

1. MAXIMUM HOURS

(1) Public Work

Massachusetts.—The Worcester water supply commission or any contractor thereunder is empowered to make contracts for construction work containing provision that labor may be employed more than eight hours per day and forty-eight per week when in the opinion of the commissioner of labor and industry public necessity so requires. (C. 375.)

Porto Rico.—Provision for eight-hour day and minimum wage of $1 per day for public work is extended to cover construction by administration as well as by contract. (No. 54, Laws of 1925.)

(2) Private Employment

Louisiana.—For regulation of children's hours see p. 307.

Porto Rico.—For limitation of children's hours see p. 308.

Virginia.—The ten-hour law for women employees is extended to cover workers in restaurants. Employers are required to post copy of law and schedule of hours in places of employment. The commissioner of labor is no longer authorized to issue permits for overtime employment in cases of emergency in certain tobacco establishments. Maximum penalty is raised from $20 to $25 for the first offense and $50 for subsequent offenses. (C. 538.)

2. REST PERIODS

(1) Public Work

Hawaii.—Any public employee on regular monthly salary who is employed continuously without any holidays on the sabbath or half holiday on Saturday, is entitled to at least one month's instead of three weeks', vacation each year. Vacation may be cumulative but shall not exceed three months, instead of nine weeks. (Act 249, Laws of 1925.)

Porto Rico.—Employees of the government bureau of supplies, printing and transportation are not to be compelled to work after twelve o'clock noon on Saturday except in cases of emergency and are to receive same pay for Saturday as for other holidays. (No. 43, Laws of 1925.)

(2) Private Employment

Louisiana.—General election days, except in certain parishes, are no longer legal holidays. (C. 249.)

New York.—Prohibition against work of barbers on Sunday is made statewide, by removing exemption of New York City and Saratoga Springs. (C. 835.) A midway lunch period of at least twenty minutes is required for factory employees who work at least three hours before and three hours after midnight. (C. 304.)

Employment

1. PUBLIC WORK

Hawaii.—Act limiting employment on public work to citizens of the United States is expanded to require that such employees be also citizens of Hawaii and that, in event sufficient unskilled citizen labor cannot be secured, the superintendent of public works may issue permits for the employment of other persons, only after advertisement in at least two issues of a newspaper of general circulation, and due proof of inability to secure citizen labor has been made. (Act 231, Laws of 1925.) Only citizens of the United States, instead of also persons eligible to become citizens, may be employed by the government of Hawaii. Exception is made in the case of females who have lost their citizenship by marriage to aliens. (Acts 271 and 181, Laws of 1925.)

2. MISCELLANEOUS

Louisiana.—It is made unlawful for any person to assist, between sunset and sunrise, in moving any laborer or his effects from any plantation or premises without the consent of the owner or proprietor thereof. Maximum penalty, $1,000 fine or six months in jail, or both. (C. 38.)

Safety and Health

1. PROHIBITION

(1) Exclusion of Persons

New York.—Employment or use of child actually or apparently under fourteen years of age to peddle or otherwise handle opium or other drugs is made a felony. Penalty, two and one-half to five years in jail. (C. 434.)

Porto Rico.—For prohibition of employment of children in certain industries see p. 308.

2. REGULATION

(1) Factories, Workshops, and Mercantile Establishments

Louisiana.—Hour limitations for children between fourteen and sixteen years of age are changed from ten a day and sixty a week to eight a day

and forty-eight a week. Stores on Saturday night no longer excepted. Requirement for keeping on file list of children employed applies only to those between fourteen and sixteen instead of to all under eighteen years of age, and posting list in places of employment is no longer required. Within three days after child's termination of employment, employer must return employment certificate to officer who issued it. Maximum fine for violation of regulations concerning return and filing of certificates is raised from $50 to $100. Prohibitions against deceiving inspectors or interfering with their performance of duty are strengthened. Employment certificates for children between fourteen and sixteen years of age are to be issued by parish superintendents of public schools or their representatives instead of by state factory inspector. The following requirements for issuance of such certificates are added: applicant must be accompanied by parent or guardian, written statements must be presented by prospective employer as to character of work offered, and by parish health officer or public school physician certifying that child is physically able to perform such work. Required evidences of age of child are revised. Form of employment certificate is to be fixed by the commissioner of labor, instead of by statute, and duplicates are to be filed with him instead of with state factory inspector. (C. 176.)

Massachusetts.—Ventilation requirement regarding injurious gases, vapors and dust is extended to cover all factories and workshops where more than one instead of five or more persons are employed. (C. 159.) Regulations concerning school attendance for persons between sixteen and twenty-one applies to all who do not meet requirements for the completion of the sixth grade instead of to illiterates, but an evening school attended may be in the town where the person is employed instead of where he resides, if so agreed by school committees. (C. 188.)

Mississippi.—Wood-working establishments and factories canning farm produce are no longer exempted from requirement of registration annually with state factory inspector. (C. 189.)

Porto Rico.—Prohibition of night work in any industry, and of employment in quarries, tunnels, excavations or tobacco factories and warehouses; limitation of hours to eight a day and forty-eight hours and six days a week, and requirements concerning employment in messenger and delivery service and the posting of notices in places of employment, apply to children under sixteen instead of eighteen years of age. Two lists of occupation dangerous to health, for persons under sixteen years and eighteen years respectively, are fixed by statute instead of at discretion of chief of bureau of labor, but the chief still has discretion concerning occupations not so listed. Educational requirement for work certificate for children attending graded school is changed from completion of sixth to fifth grade. (No. 64, Laws of 1925.)

Rhode Island.—Proprietors of factories and workshops are made directly responsible for maintenance of sanitary and safety requirements, instead of on notification of factory inspector. Upon notification of inspector that alterations in equipment are necessary, the time allowed for making such alterations is sixty days, or such time as inspector deems necessary, instead of ninety days. Proprietors are required to maintain free and unobstructed approach

to all fire escape exits. (C. 761.) School attendance requirement no longer excepts children between seven and sixteen years of age who have completed studies taught in first eight years of public school course. Children between fifteen and sixteen years to be employed must have completed course of study required in first eight years of public school, instead of first six yearly grades. Commissioner of education instead of secretary of state board is authorized to issue work certificates to children between fifteen and sixteen. The completion by such children of the educational requirement must now be certified by proper school officer. The superintendent of schools of the town in which the child resides, instead of the state commissioner of education, is authorized to decide whether a child between fifteen and sixteen years who has not completed the educational requirements is mentally incapable thereof and therefore eligible to receive special employment certificate. Such special certificates are no longer required to be uniform throughout the state and their issuance is no longer conditional upon a physician's statement certifying the child's physical ability but may be issued in any case in which the school superintendent is of the opinion that the interests of the child will best be served thereby. Special limited work certificates may be issued by the school committee of any town permitting any child over fourteen, instead of any such child who has complied with specified requirements for the protection of children in industry, to be employed on days when school is not in session, but Sundays and holidays are now specifically excepted. (C. 812.)

(2) Miscellaneous Industries

Kentucky.—Safety regulations in construction work in all cities of the first and second class, instead of being formulated by city officials are prescribed by statute as follows: Constructors of buildings shall provide counterfloors for each story of sufficient strength for safety of employees. Penalty, fine of $25 to $200, each day of neglect after notice of inspector to be a separate offense. Employers of labor in erecting, altering or repairing structures who supply unsafe scaffolding, ladders or other contrivances are to be fined not more than $500 or imprisoned not more than three months or both. Scaffolding swung more than twenty feet above a floor must be provided with safety railing. Where acid or other substance affecting ropes is present, steel cables must be used. In each city a chief safety inspector and as many deputies as are needed shall be appointed by the mayor. Inspectors shall be under supervision of the building inspection department which shall formulate a code of safety regulations. The general council or board of trustees of the city shall either incorporate such code into municipal law or adopt other regulations. (C. 124.)

New York.—A joint legislative committee is authorized to investigate conditions in manufacturing and mercantile business, including all matters affecting the health, safety and welfare of the working people to the end, among other things, that necessary remedial legislation for their benefit be enacted. The committee is to consist of three senators, appointed by the temporary president and five assemblymen to be appointed by the speaker, and is authorized to select, for the purpose of assisting in its deliberations, three persons known to represent, respectively, the working people, the business interests

and the public. The committee is to report its findings and recommendations to the legislature on or before February 15, 1927. Appropriation, $25,000. (Concurrent Resolution adopted March 9.)

Rhode Island.—Any minor over sixteen, instead of fourteen, years of age, with consent of parent or guardian, may bind himself to an apprenticeship. If under sixteen years of age, an employment certificate from the school committee is required. Under the former law, any minor could be bound as an apprentice or servant by parent or guardian, or if an indigent orphan or a child of indigent parents, by the overseers of the poor with consent of the town council. Under the amended law, every contract of indenture requires three signatures, that of the employer, the minor, and his parent or guardian; a statement of the trade, craft or business which the minor is to be taught and an agreement that he shall receive a certificate at the close of his apprenticeship. Contracts are to be binding in law except as the court may decide that conditions are unjust. New legal procedure is provided for cases of controversy. Provisions that overseers of poor with consent of town council may bind as apprentices or servants indigent minors and certain adults who live idly or squander their earnings and abandon their families, are repealed. (C. 841.)

Social Insurance

1. INDUSTRIAL ACCIDENT INSURANCE

(1) Employers' Liability

Virginia.—Act of 1912, providing that every corporation operating a railroad shall be liable in damages for all injuries sustained by its employees in the course of their employment, which was omitted from the revised code of 1919 and thereby repealed, is reenacted and strengthened. (C. 503.)

(2) Workmen's Compensation

a. New Acts

Missouri.—Workmen's compensation act, passed by the legislature of 1925, was ratified by referendum vote November, 1926, and promulgated by the governor, November 16, to go into full effect January 9, 1927.

b. Acts Supplementary to Existing Laws

Kentucky.—The board is empowered to appoint as assistant an actuary at $3,500, instead of a medical director at $3,000 and to order fee to be paid direct to claimants' attorneys, commuting to a lump sum for that purpose part of the final payments of the award. Definition of employer is extended to cover all departments of the state government. Clause compelling employer to keep compensation register for acceptance of act by employees is omitted. Periods of suspension of employment during which employees' acceptance remains effective is limited to less than one year. Procedure in cases appealed to courts is changed. (C. 193.)

Louisiana.—Employee and independent contractor are specifically defined. Responsibility of sub-contractor for payment of compensation is made more definite. Number of weeks for which compensation is due for loss of arm is raised from 175 to 200; for loss of leg is reduced from 200 to 175. Compen-

sation for permanent partial loss of use of any member in schedule of permanent disabilities, is to be in proportion to the loss of use of such member. Certain cases of hernia, specifically defined, are declared compensable as temporary disability, and entitled to specific medical attention. In case employee refuses to permit operation or in case of successful operation by employer's physician, period of compensation is limited to twenty-six weeks. In case of death from hernia or operation, death benefit is due. In any case where compensation has been paid for temporary disability or permanent total disability, amount of such payment shall be deducted from compensation allowed for permanent partial disability or death. Provisions regarding division of death benefits among dependents and termination of payments are revised. Specific provisions for total and partial dependents instead of general provisions for persons dependent to any extent are made. In cases where maximum benefit allowed under the act is not taken up by total dependents, partial dependents are to be compensated in proportion to their degree of dependency. Permission of court to lengthen interval between compensation payments to one month by agreement is no longer required. In cases of temporary disability the court may award compensation for a number of weeks based upon probable duration of disability. Commutation of payment to a lump sum is permitted when approved by the court as reasonably complying with provisions of act instead of as solely and clearly in interest of the employee or his dependents. Such settlement without approval of court, or at a discount of more than 8 per cent per annum, makes employer liable for payment of one and one-half times instead of twice the original award if demanded within two instead of five years after payment of the lump sum. Regulations concerning procedure in settlement of disputed cases by the court are revised and expanded. If the court shall decide that any proceedings for compensation or concerning an award have not been brought on reasonable grounds, the whole cost shall be assessed upon the party bringing such proceedings. Maximum fee of attorney for an employee shall be $1,000 and shall not exceed 20 per cent of the award, and must be approved by the court. Soliciting business of appearing for an employee is declared a misdemeanor. Regulations regarding insurance of employer are modified. Maximum penalty for misdemeanor, as declared in the act, is $500 fine, twelve months in jail, or both. (C. 85.)

Massachusetts.—To the list of persons to be conclusively presumed to be wholly dependent upon a deceased employee is added a parent upon an unmarried child under the age of eighteen years, provided that such child was living with the parent at the time of the injury resulting in death. (C. 190.)

New Jersey.—Radium necrosis is added to list of compensable occupational diseases. (C. 31.)

New York.—Officials are forbidden to require fee for issuing transcript of judgment in cases of default in compensation payment. (C. 256.) Department of labor is empowered to subpoena books, papers, etc., along with persons. (C. 257.) Individual employers and executive officers of corporations are no longer required to perform labor incidental to their occupations in order to elect compensation insurance for themselves. (C. 258.) Employer or carrier is required to give notice to industrial commissioner whenever for any

reason compensation payments cease, instead of when final payment is made or due. (C. 260.) Notice of death for which compensation is payable is to be given within thirty days after accident. Knowledge of death on part of employer or his agents is made grounds for excusing failure to give notice of death. (C. 262.) President, secretary and treasurer of a corporation are made liable for failure of corporation to insure its employees. (C. 532.) Requirements as to workmen's compensation insurance rates are revised. (C. 533 and 545.) Regulation of investment of state fund's surplus and reserve is revised. (C. 748.) For expense of examination of affairs of state fund see p. 317.

Rhode Island.—The maximum charge for which the employer shall be responsible during the first eight weeks of injury for medical and hospital services is changed from $200 to $150 for medical services and medicines and, for hospital services, $3 a day and such fee for x-ray and anaesthetics as customarily charged. In case of death of employee, the weekly minimum payable to total dependents is raised from $4 to $6, and the weekly maximum in case dependent is a widow with one or two dependent children is raised from $10 to $12 and in the case of widow with three or more children is raised from $10 to $14. Upon remarriage of the widow of a deceased employee, the compensation payable to such widow is to cease. In specified injuries for which extra compensation is paid, the following changes are made concerning the number of weeks during which payments shall be made: for loss of both hands at or above the wrist or of both feet at or above the ankle or of one hand and one foot, or of entire loss of sight of both eyes, the period is extended from 100 to 150 weeks; for loss of either hand at or above the wrist, or either foot at or above the ankle, or the entire loss of sight of either eye, the period is extended from 50 to 75 weeks; for loss of two or more fingers or toes at or above the second joint, the period is extended from 25 to 35 weeks; for loss of one phalange of a thumb or of two or more of an index finger, the period is extended from 12 to 18 weeks. Concerning the foregoing schedule of injuries for which extra compensation is due, the following provisions are added: for loss of either arm at or above the elbow, or of either leg at or above the knee, extra compensation is to be paid for a period of 100 weeks; reduction of vision, with glasses, to 1/10 or less of normal is to be regarded as entire loss of vision; where payments are required under more than one clause, they are to be made consecutively and not concurrently. In case of agreement between employer and employee, approved by the commissioner, and involving future payments of compensation aggregating not more than $50, the attorney general shall, at the written request of the commissioner, prosecute action to compel either party to the agreement to comply with the terms thereof. (C. 764.)

Virginia.—The definition of employee is amended to include members of the national guard, whose average weekly wage for the purposes of the act is to be deemed $30. (C. 534.) The enacting clause omitted by error from C. 318 of the laws of 1924 amending the workmen's compensation law, is supplied. (C. 7.)

Washington.—Provisions of the workmen's compensation law are to apply

to all maritime workers not covered in case of personal injury or death by the United States maritime laws, instead of only to those whose payrolls for work on shore and off shore are clearly separable. When the employer is unable to make an accurate segregation of such payrolls, the director of the department of labor and industries is authorized to make such segregation and, on this basis, the employer is to pay into the accident fund to cover the shore part of such employees' work. The act of 1919 exempting from the workmen's compensation law such employees whose payrolls were not clearly separable is repealed. (C. 111, Laws of 1925.) Independent contractors engaged through or by their employees to perform extra-hazardous work for a common carrier by railroad are specifically included under the provisions of the workmen's compensation law. (C. 84, Laws of 1925.)

United States.—Provision for medical and surgical aid is liberalized and expanded to include all services, appliances and supplies which in the opinion of the commission are likely to give relief or reduce degree or period of disability and all expenses connected therewith. Provision regarding expenses is to apply to previous awards of the commission. (Public 432, 69th Congress, 1st session.)

c. Vocational Rehabilitation

Florida.—Provisions of federal act for vocational rehabilitation are accepted. (House Concurrent Resolution No. 18, Laws of 1925.)

New York.—State aid is extended to counties for medical treatment, care and education of physically handicapped children under fourteen years of age. (C. 817.) General administrative expenses of the department of education, assignable to rehabilitation of injured employees, instead of compensation and maintenance only, are to be paid from the special fund. Uninsured employers as well as insurance carriers are to pay $500 to this special fund when employee dying of injury leaves no person entitled to compensation. (C. 261.)

d. Commissions

Massachusetts.—A commission of five citizens of the commonwealth to be appointed by the governor, with advice and consent of the council, is authorized for the purpose of investigating the present workmen's compensation law and recommending changes. It is to report to the legislature by filing its estimates and recommendations, with drafts of recommended legislation, with the clerk of the house of representatives not later than December 1, 1926. Appropriation, $2,500. (Resolve 36.)

Rhode Island.—Governor is authorized to appoint a commission of seven qualified electors, two of whom shall be members of the house and two of the senate, to investigate the proper method of administration of the workmen's compensation law. Commission is to serve without pay and to report to the governor, with recommendations, on or before September 1, 1926. (Res. No. 16.)

Virginia.—An unpaid commission is authorized to investigate insurance rates, including those for workmen's compensation, in Virginia and other states, to ascertain whether unjust discrimination is made by insurance companies against employers in Virginia. Commission is to consist of five mem-

bers to be appointed by governor from among qualified voters of state, and is to report to legislature of 1928. (C. 541.)

2. OLD AGE PENSIONS

Hawaii.—A retirement system is established covering all public employees of the territory, excepting those who elect not to be included, and all other retirement systems supported by public money are abolished. The system is to be administered by a board of trustees consisting of the treasurer and the auditor of the territory, a member of the system elected by the membership for a term of two years, and two citizens who are not public employees, and one of whom is a responsible bank officer or person of similar experience, appointed by the governor for terms of four years each. The trustees are to serve without compensation but are to be reimbursed for expenses and loss of wages due to their service on the board. The board is to engage actuarial and other services required; designate a medical board to consist of three physicians; establish regulations for administration of funds and transaction of business, subject to the act; keep records of all its proceedings open to public inspection, and make annual reports to governor and heads of departments. The attorney general of the territory is to be legal advisor of the board. Any employee may retire after reaching the age of sixty years and, after January 1, 1930, must retire at seventy years. Retirement allowance of an employee is to consist of an annuity which is the actuarial equivalent of his accumulated contributions at the time of his retirement plus a pension equal to one one-hundred and fortieth of his average annual salary for the last ten years (or if he has not served ten years, during his actual service), multiplied by the number of years of his service since last becoming a member. If he has been granted a certificate for prior service, he is to receive an additional pension equal to one-seventieth of his final average salary multiplied by the number of years of prior service. Any member who has served ten years, upon certification of incapacity for service by the medical board, may retire upon an allowance consisting of an annuity which is the actuarial equivalent of his accumulated contributions plus a pension which, together with his annuity, shall be equal to 90 per cent of one-seventieth of his average salary multiplied by the number of years of his service, if the total allowance exceeds one-quarter of his average salary; otherwise, by the number of years of service were he to serve until the age of sixty, provided that the total allowance shall not exceed one-quarter of his salary. For accident disability, an employee is to receive an annuity as in the above cases plus a pension equal to 66⅔ per cent of his average final salary. Amounts payable under workmen's compensation or similar laws are to be deducted. Annually, for the first five years, and once in three years thereafter, an employee retired for disability may be examined by the medical board and, upon its report that he is able to engage in a gainful occupation, his allowance is to be reduced or discontinued accordingly. Death benefits are to be equal to annuity as above plus a sum equal to 50 per cent of employee's salary for year immediately preceding death, unless death is due to an accident suffered in the course of employment, in which case, in addition to the annuity, a yearly pension equal to 50 per cent of his average salary shall be paid to his widow, during her life or widowhood, or to minor children,

or other dependents as the board of trustees shall direct. If an employee leaves the service, his contributions are to be repaid to him or such person as he may designate either in a lump sum or in some form of annuity depending upon his option. The contribution due from each member is to be computed by the actuary from tables adopted by the board of trustees and is to be such a part of each payment of his salary that the total accumulation upon his attainment of sixty years would equal the annuity to which he would then be entitled. Contributions are to form the annuity funds from which all annuities are to be paid. Pensions are to be paid from the pension funds accumulated from payments by the territory of Hawaii for each employee on a basis determined by actuarial computations. The actuary immediately upon establishment of the system, again in 1929, and every five years thereafter, is to make an investigation of the mortality, service and compensation experience of the members of the system, on the basis of which tables to be used in actuarial computations are to be adopted by the board. Regulations as to investments of funds and other details and safeguards are provided by the act. (Act 55.) Appropriation for current expenses for biennial period, $30,000; for fixed charges, $428,000. (Act 263, Laws of 1925.)

Kentucky.—An old age pension system is provided which, if accepted by the court or commissioners of any county, is to be administered by the county judge. Maximum pension is $250 per year. Applicant must be seventy years of age, a citizen of the United States for fifteen years and a resident of the county for ten years; must not possess an income in excess of $400 per year, property to the value of $2,500 or more, or a child or other legally responsible person able to support him. Maximum penalty for attempts to obtain benefits by false statement, $500 fine, imprisonment for one year, or both. (C. 187.)

Massachusetts.—If a person becomes a public charge any expense incurred by public authorities for his maintenance unless otherwise paid shall be deducted from payments from any retirement system for public employees to which he is entitled. (C. 289.) Provision of retirement system for public employees are expanded. (C. 300 and 378.)

New Jersey.—Retirement systems for public employees are regulated and expanded. (C. 107, 136, 313 and 329.)

New York.—Public employees' retirement systems are regulated and expanded. (C. 191, 280, 318, 343, 476, 684 and 685.) For expense of examination of affairs see p. 317. Joint legislative committee is authorized for investigation of condition of aged poor with purpose of devising a state policy and recommending legislation for carrying the same into effect. Committee is to be composed of two senators appointed by temporary president and three assemblymen appointed by speaker. Appropriation, $5,000. (Concurrent Resolution, adopted April 23.)

Porto Rico.—Public employees' retirement act is amended to protect employees transferred to temporary positions or on leave of absence. (No. 5, 1926 Special Session.)

United States.—Federal employees' retirement law is amended and reenacted. Among important changes are the following: to employees eligible to retire at sixty-five years of age are added village letters carriers, sea post clerks and laborers; to those eligible to retire at sixty-two years of age are

added all employees engaged in occupations which are hazardous or require great physical effort or exposure to extreme heat or cold or whose terms of service have included fifteen years in the tropics; classification of employees into age groups is to be determined jointly by the civil service commission and the head of the department concerned; the term mechanic is defined to include certain employees in the government printing office; mechanics who, having served fifteen years, were transferred to positions as laborers and thereafter discharged from government service prior to August 20, 1920, are to receive annuity under provisions of this act; mechanics who, having served thirty years, were reduced to minor positions, shall after the age of sixty-two years receive an annuity based upon their average salary during last ten years of service as mechanics; to employees included under the act are added those who entered the service as mail carriers before January 1, 1897, who continued twenty years in service and were honorably discharged, all citizens of the United States who are permanent employees of the Panama Canal, all unclassified employees of the United States, permanently employed under labor regulations approved by the President, or from registers of the classified service or by transference from classified positions, instead of all laborers or other employees whether classified or unclassified who are employed on an annual basis for less than $600 per year; annuities are to be computed by multiplying the average annual salary (not to exceed $1,500) for the ten years preceding retirement by number of years of service (not to exceed thirty) and dividing the product by forty-five, instead of mutiplying such average salary by a certain per cent, varying from thirty to sixty according to length of service; maximum pension is $1,000 instead of $720; minimum unspecified instead of $180; in case of retirement for disability, proof of freedom from vicious habits and wilful misconduct is not to be required for a period exceeding five years prior to retirement; in case of restoration to former earning capacity, pension is to continue ninety days after date of medical examination showing such recovery, instead of ceasing immediately thereafter; employees between forty-five and fifty-five years of age, having served fifteen years, honorably separated from the service, are entitled to a deferred annuity at the age of retirement or, at the age of fifty-five years, to an immediate annuity equal to the present worth of the deferred annuity; monthly deductions of salaries for the retirement fund are to be 3½ instead of 2½ per cent; employees brought under act by transfer, reappointment or otherwise are to contribute for period during which they were in service between 1920 and 1926, 2½ per cent and for period thereafter 3½ per cent of salaries; annuities of employees already retired are to be computed and readjusted to conform with this act, but in no case is an annuity to be reduced; in case an employee becomes legally incompetent, instead of in case of death, and no legally appointed representative demands accumulated annuities or contributions, the commissioner of pensions, after thirty days instead of three months, is to pay such accumulation, not exceeding $1,000 instead of $300, to such persons as he deems legally entitled thereto; the comptroller-general instead of the secretary of the treasury is to have charge of records and reports of contributions to the fund. (Public 522, 69th Congress, 1st session.)

3. HEALTH INSURANCE AND GENERAL SOCIAL INSURANCE

(1) Maternity

Hawaii.—Provisions of Sheppard-Towner maternity act are accepted. (Act 31, Laws of 1925.)

Rhode Island.—All persons maintaining maternity hospitals are to be licensed annually by the state welfare commission which is authorized to revoke such licenses, and to provide regulations for conduct and inspection of such hospitals. Every birth occurring therein is to be attended by a legally qualified physician or midwife and specific records are to be kept and reports made to the welfare commission. Maximum penalty for violation of the act, $100 fine or six months' imprisonment for first offense, $500 fine, or imprisonment for one year, or both, for subsequent offenses. (C. 834.)

(2) Miscellaneous

New York.—Employees of a person or firm and members of an organization may form a corporation, subject to supervision of the state insurance department, for the purpose of providing retirement, sickness, disability or death benefits. (C. 501.) Provisions of insurance law, charging to insurance corporations expense of examination of their affairs, are extended to all insurers, societies, pension funds, retirement systems or orders. (C. 245.) For regulations affecting trade unions relative to group insurance see p. 305.

Porto Rico.—Provisions of the act establishing the savings and loan fund association of government employees are extended and liberalized. (No. 96, Laws of 1925.)

Virginia.—Corporations under laws of the state are authorized to insure the lives of their employees, and to pay premiums after the insured cease to be employees of such corporation. (C. 380.)

Administration

Mississippi.—Salary of state factory inspector raised from $1,500 to $3,000 per year. (C. 239.)

New York.—Reorganization of the labor department, pursuant to amendment of article 5 of the state constitution as ratified by popular vote in the general election of 1925, provides that the term of office of successors to present industrial commissioner, shall be, instead of four years, coincident with the term of the governor making appointment; salary of commissioner is raised from $10,000 to $12,000; governor may remove head of department whenever in his judgment the public interest shall so require, instead of for inefficiency, neglect of duty or misconduct after an opportunity for public hearing; the state industrial board shall consist of five instead of three members, two of whom shall be persons representing interests of employers, two interests of employees, and one an attorney admitted to practice in New York; salaries of board are raised from $8,000 to $8,500; vote of three members of the board and approval of the commissioner, instead of vote of two members of the board, shall be necessary to changes in the industrial code. (C. 343 and 427.) Verbal error in labor law relative to industrial council is corrected. (C. 284.)

II. Topical Index by States

THE labor laws enacted by the nine states which held regular sessions, by Porto Rico and the states which held special sessions, and by Florida, Hawaii, Porto Rico and Washington whose 1925 session law volumes were not available for review last year, together with the labor laws enacted by the sixty-ninth Congress, first session, are herewith indexed by states in alphabetical order with chapter and page references to the session law volumes. The figures in heavier type, outside the parentheses, refer to pages in this REVIEW.

CALIFORNIA

(Special Session.)
No labor legislation.

FLORIDA

(Laws of 1925.)
Individual Bargaining: law regarding bonding of contractors amended (C. 13, p. 60), p. **304**; mechanics' lien law amended (C. 17, p. 67), p. **304**.
Social Insurance: provisions of federal act for vocational rehabilitation accepted (H. C. R. No. 18, p. 569), p. **313**.
(1925 Special Session.)
No labor legislation.

GEORGIA

(Two Special Sessions.)
No labor legislation.

HAWAII

(Laws of 1925.)
Individual Bargaining: law concerning garnishment of wages amended (Act 262, p. 326), p. **304**; mechanics' lien law amended (Act 139, p. 163), p. **304**.
Minimum Wage: law concerning wages for public work is amended (Act 165, p. 190), p. **306**.
Hours: law concerning vacations for public employees amended (Act 249, p. 310), p. **306**.
Employment: laws concerning citizen labor on public works and in government positions amended (Act 231, p. 76, Act 271, p. 388, Act 181, p. 206), p. **307**.
Social Insurance: law providing retirement system for public employees enacted (Act 55, p. 51, and Act 263, p. 330), p. **314**; provisions of Sheppard-Towner federal maternity act accepted (Act 31, p. 31), p. **317**.

KENTUCKY

Individual Bargaining: mechanics' lien law amended (C. 182, p. 862, and C. 183, p. 163), p. **304**.
Minimum Wage: compensation of certain public employees increased (C. 69, p. 192), p. **306**.
Safety and Health: safety laws concerning construction work amended (C. 124, p. 610), p. **309**.
Social Insurance: workmen's compensation law amended (C. 193, p. 883), p. **310**; old age pension law enacted (C. 187, p. 873), p. **315**.

Hours: law prohibiting Sunday labor amended (C. 835, p. 1556), p. **307**; labor law amended to provide rest periods for night worker (C. 304, p. 555), p. **307**.

Safety and Health: penal law amended to forbid employment of children in drug traffic (C. 434, p. 756), p. **307**; committee for the purpose of investigating working conditions in manufacturing and mercantile business authorized (Con. Res.), p. **309**.

Social Insurance: workmen's compensation law amended (C. 256, p. 460, C. 257, p. 461, C. 258, p. 462, C. 260, p. 463, C. 262, p. 467, C. 532, p. 911, C. 533, p. 911, C. 748, p. 1393), pp. **311-12**; insurance law relating to workmen's compensation rates amended (C. 545, p. 950), p. **312**; insurance law affecting state fund amended (C. 245, p. 445), p. **317**; workmen's compensation and education laws affecting vocational rehabilitation amended (C. 261, p. 466, and C. 817, p. 1481), p. **313**; laws concerning public employees' retirement systems amended (C. 191, p. 352, C. 280, p. 498, C. 318, p. 577, C. 343, p. 606, C. 476, p. 826, C. 684, p. 1229, C. 685, p. 1236), p. **315**; commission for the purpose of investigating condition of aged poor is authorized (Con. Res.), p. **315**; insurance law affecting social insurance amended (C. 501, p. 860, C. 245, p. 445, C. 92, p. 248), p. **317**.

Administration: labor department reorganized (C. 343, p. 606, and C. 427, p. 744), p. **317**; verbal error in labor law relative to industrial council corrected (C. 284, p. 503), p. **317**.

PENNSYLVANIA

(Special Session.)

No labor legislation.

PHILIPPINES

Session law volume not available.

PORTO RICO

(Laws of 1925.)

Minimum Wage: minimum wage law for labor on public work amended (No. 54, p. 302), p. **306**.

Hours: law providing eight-hour day in public work amended (No. 54, p. 302), p. **306**; law regulating hours for minors amended (No. 64, p. 338), p. **308**; law granting Saturday half-holiday to certain public employees enacted (No. 43, p. 258), p. **307**.

Safety and Health: law prohibiting employment of minors in certain occupations and regulating conditions in others is amended (No. 64, p. 338), p. **308**.

Social Insurance: workmen's compensation and public employees' retirement laws amended (No. 102, p. 904 and No. 104, p. 950, see also this REVIEW for December, 1925, pp. **341** and **346**); act establishing savings and loan fund association for government employees amended (No. 96, p. 766), p. **317**.

(1926 Special Session.)

Social Insurance: public employees' retirement act amended (No. 5, p. 12), p. **315**.

RHODE ISLAND

Safety and Health: factory safety and sanitation law amended (C. 761, p. 34), p. **308**; laws regulating employment of minors amended (C. 812, p. 206), p. **309**; apprentice and indenture laws amended (C. 841, p. 261), p. **310**.

Social Insurance: workmen's compensation law amended (C. 764, p. 37), p. **312**; commission for investigation of workmen's compensation authorized (Res. No. 16), p. **313**; law regulating maternity hospitals enacted (C. 834, p. 241), p. **317**.

"The Best Guarantee of a Healthy Economic Body Politic"

By Nathan Straus, Jr.
Former Member of New York State Senate

MY interest in labor legislation is partly selfish and partly unselfish. It is unselfish because it seems to me that as long as women and minors in industry are forced by economic necessity to labor for their daily bread they are entitled to the best protection by law, and our economic prosperity means nothing unless it means shorter hours and a greater measure of decent living conditions, both in their places of work and in their homes for laboring women and minors.

There is also a selfish side of the picture. As a business man of some experience and some small measure of success, I am convinced that nothing is more economically unsound than consistent stubborn opposition to welfare legislation, so-called, on the part of many short-sighted manufacturers and business men. Nay, more, I am convinced that economic stability which is at the very root and base of our financial prosperity must be based upon the happiness, satisfaction in his task, and healthful living of the laboring man and especially the laboring woman. I believe there is nothing Bolshevistic or Socialistic about this, but quite the contrary.

That is the selfish side of my advocacy of this legislation. It is not only a measure of justice, but it is a measure of economic self-protection on the part, if you wish, of the capitalist and employing class.

A sensible, intelligent program of forward looking labor legislation is, I believe, the best guarantee of a healthy, sound economic body politic.

Channels of Waste

By Stuart Chase

I.

JULES VERNE once wrote a story which he called the "Mysterious Island." It was about four men abandoned on a desolate spot of land on the Pacific. Unlike Robinson Crusoe they had no wrecked vessel to draw supplies from; they landed with their bare hands. But there were growing things, animals, minerals—the immemorial background of human life. And in the brain of the engineer who lead the party there was science. With their bare hands they set to work. It was a desperate struggle—but step by step they forced back cold, hunger and desolation, and in the end transformed their island into a pleasant home which yielded food, shelter, clothing and comforts. To meet the demands of the Mysterious Island, every member of the balloon-wrecked crew put his shoulder to the wheel. On each man's labor the survival of the group depended.

But suppose that one had given all his energy to making mud pies; one had spent his days in sleeping on the beach; one built a house on the plain by bringing stones from the top of a hill; while the last in his haste to clear a field, burnt off all the timber on the island. Four madmen! Yes, mad enough when seen in miniature. But in our great society, these are precisely the things which untold millions of us in America are constantly doing. These mad acts typify the four main channels of economic waste. I only hope to be forgiven for sketching them on such a hackneyed terrain!

The mud pie maker represents the man power which goes into the production of needless or actively harmful things—the production of "illth" rather than wealth, to use Ruskin's term. The sleeper represents the man power which on any given working day is doing nothing, chiefly by virtue of unemployment and so not wilfully idle. The house builder represents the excess man power required to produce an equal volume of sound goods and services because the technical arts—the best way of doing the job—are not made use of. In this category falls the whole case for scientific management, regional planning, the coordination of production to requirements.

The fire builder represents the waste of natural resources—a channel already made vivid by the researches of the conservation movement. Let us consider each in somewhat more detail.

Wastes in Consumption of "Illth"

"Mankind," says Bernard Shaw, "is the only animal which esteems itself rich according to the number and voracity of its parasites." The output of human effort is generally regarded as wealth; the sheer fact that somebody exerts demand enough to cause its creation, is held sufficient to establish its economic worth. But Ruskin before Shaw thundered against the perversions of wealth, and J. A. Hobson has developed a whole philosophy of consumption. Lately Harap has brought the question vividly before American consumers.[1] How much of the gross total of our economic output is wealth in the sense that it aids life rather than death; health rather than sickness; beauty rather than ugliness; knowledge rather than superstition? For the deliberate manufacture of death we have military mechanisms of an almost sublime destructiveness; for the manufacture of sickness, we have a flourishing patent medicine industry, together with perhaps the gaudiest conglomeration of thought waving, spine pounding, electric vibrating, gland shooting quacks which the sun ever shone on; and we have, it is alleged, three million persons made ill annually in the United States by adulterated food products. For the manufacture of ugliness we have unparalleled resources—from brown derbies to the city of Pittsburgh. For the manufacture of superstition we have phrenologists, table tippers, swamis in bath robes, personality developers, correspondence schools, "new" psychologists, projectors of business cycle curves, and the Fundamentalist movement—tc name only a few.

Thus so soon as we try to mark off illth from wealth, the sheer economic effort which flows into the former begins to take on very considerable proportions. No two observers will ever exactly agree on the kind of work which results in illth. This channel is inevitably and eternally disputatious. To my mind a certain fraction, in some cases a very large fraction, of the human energy devoted to the following fields is wasted. But I have no hope that you will agree

[1]Henry Harap, "The Education of the Consumer."

with me *in toto*. Space does not permit me more than to name the headings:

The narcotic drug traffic.
The patent medicine traffic.
The higher reaches of the alcohol traffic (say above wines and beers).
Crime and commercialized vice.
The adulteration of goods.
Quackery—medical, religious, financial.
The military establishment.
Commercial speculation and gambling.
Super-luxuries—and their cheap imitations.
Artificially stimulated fashions.
Commercial recreation (in part only).
The overhead services and professions (in part only).

The Waste of Idleness

In an integrated industrial society the most obvious justice seems to require, from the able-bodied at least, some useful effort in return for useful things received. Any exact measurement of this exchange as between individuals can only lead to a good deal of nonsense, but the fact that some *quid pro quo* should be rendered, obstinately persists. I have sometimes wondered how far this conviction is responsible for that beautiful edifice of logic which rationalizes the services of private capital to the community. What mortifications, what denials, what stranglings of hedonism * * * To be idle without rhyme or reason, to take and not to give, has in all societies, everywhere, been a mark of waste, and has called forth unheard of efforts on the part of the learned logicians to support resplendent idlers in the face of the popular conviction. Strangely enough, however, in our going economic mechanism the deliberate idler constitutes only a small proportion of the total man power which on any given working day is doing nothing. The great majority are idle against their will and inclination, as a list of the chief classes makes clear:

Unemployment—seasonal.
Unemployment—cyclical.
Unemployment—intermittent.
Unemployment—turnover factor.
Unemployment—residual.
Strikes and lockouts.
Idleness due to preventable accidents.
Idleness due to preventable sickness.
Shop absenteeism.
The idle rich.
The gentlemen of the road.

Only the last three can be classed as voluntarily idle.

Wastes in the Technique of Production and Distribution

What is the excess man power required to make and to move the nation's quota of **sound** goods and services because the technical arts—to say nothing of plain common sense—are not made use of? Ever since Frederick W. Taylor laid down the principles of Scientific Management, this question has been gathering headway. The work of the Federated American Engineering Societies under the leadership of Mr. Hoover has recently brought the whole problem into sharp focus. The principle sub-channels under this third main heading of waste appear to be:

Inadequate knowledge of consumptive requirements, resulting in seasonal and cyclical "peak loads."
Excess plant capacity, overloaded inventories, restriction of output, dumping.
Standardization failures.
Lack of material control, lack of cost systems, research facilities.
Failure to utilize machinery instead of "cheap" labor.
Tariff and trade barriers.
Neglect of regional and community planning, city congestion.
The "profitable obstruction" of technical knowledge.
Too many middlemen and retail stores.
City distribution methods—particularly milk.
Cross hauling and neglect of waterways for bulky freight.
Too much high pressure salesmanship, advertising, installment selling.

This last category is highly disputatious, but even bankers are beginning to wonder what is to be the end of sales forcing through purchases on the installment plan. Meanwhile, the president of the largest milk company in Milwaukee reports that, during 1924, he took 28,000 customers away from his competitors by high pressure advertising, but his competitors, using the same method, took 25,000 customers away from him. The net gain to his company was 3,000 customers, while the cost of milk was burdened with 53,000 useless sales. There was no increase in milk consumption by the community at all.

The Waste of Natural Resources

This channel is by far the most completely mapped of them all. The melancholy researches of the conservationists into coal, oil, lumber, soils, fisheries, minerals, natural gas—are duly accredited and widely acknowledged, but pioneering psychology is still too close to us in America, to permit of anything much more tangible

than acknowledgment. What in truth has posterity done for us? Failure to develop water power, and thus save coal, oil and transportation, also would come under this head.

II.

There are doubtless other channels, but these four seem to comprise the major sources of economic loss and leakage. They are susceptible, in part at least, to quantitative measurement. They can be evaluated in money, but as money is only a symbol—and sometimes a very erratic one—for the physical factors which underlie it, I for one would prefer to measure the wastes of illth, of idleness, of technical method in terms of man power, and the wastes of natural resources in terms of tonnage or volume of horsepower.

We speak of the waste of life, of square pegs in round holes, of first rate men and women submerged by a third rate environment, of affections foundered, of child life betrayed, of racial hatreds and class frictions and the unending warfare of the sexes. Waste? Yes, much of it undoubtedly is. But so bound up with individual psychology is most of it, that while its indirect effect on economic life is probably very great, it is not primarily economic waste, and therefore perhaps too oblique and too baffling to come within this purview. But one can say this. In the last analysis, the only reason for bothering about economic waste at all is in the hope that its abatement may so raise the standard of life and comfort that we may win at least some surcease from these more subtle personal miseries and frictions.

With these four main channels of economic loss and leakage in mind, suppose we take an airship and cruise leisurely over the United States. Suppose we forget money and credit for the moment, and fix our attention upon the physical factors of geographical setting,—the industrial plants, railways, roads, water systems, power lines, stores and office buildings built thereon,—and the behavior of some 110 millions of people in respect to these things. Of the 110 millions, some 40 million adults are more or less gainfully employed, another 20 million women are hard at work in their homes, while the balance constitute dependents—children, old people, defectives.

Granting that the purpose of economic activity is to supply needful goods ("needful" being a broader term than "useful" in that

it comprises the satisfaction of non-utilitarian wants), granting the present state of the technical arts, and granting the desirability of securing a maximum of goods with a minimum of effort, how far does the organization of the plant below us and the economic behavior of the swarming millions fulfill these postulates?

At this point we crash headlong into the distinction between waste as pure theory, and waste as a problem offering practicable solutions. With your permission I should like to speculate on both aspects.

The pure theory of waste would require that we took such a document as J. Russell Smith's "North America," which sets forth the type of crops, forests, manufactures and what not, best suited to each geographical region. He knows nothing of political boundaries but only considers the optimum conditions for the animal man in his immemorial background of climate, land, forest and water. It would not be an inconceivable task to locate on paper 110 millions of people in those areas and regions which Professor Smith finds most favorable to fruitful economic development and to human health and energy; and to set them to work—first on capital outlays, and then on the completed plant—which would produce a maximum of economic goods with a minimum of effort and cross hauling and friction. Granting the necessary tolerances, such a plan for America is conceivable. Its outlines are capable of constituting a standard by which actual conditions as we see them from our airship, can be compared, the margin between the two constituting the factor of waste . . . **Pure waste,** of course, without considering the practicable problems of the capital transition, the population shift, or the psychology of social control.

Such a conception is akin to the theoretical thermal energy of a ton of coal. The energy is undoubtedly there, but no engine has yet been invented, or ever will be, which will reclaim the full one hundred per cent. Meanwhile it presents a permanent target to shoot at, a perpetual stimulation to inventors. Similarly this vision of a great land ordering and controlling its economic life on the principle of maximum out-put with minimum effort constitutes a useful stimulation to the statesmen and the engineers of the future.

With such a bench mark, we may look over the side of our airplane and note an appalling margin of waste. Waiving the

question of illth, we see on any given working day, seven or eight million adults doing precisely nothing. **Probably 20 per cent of the nation's man power is always, on the average, idle, rendering no service for what it receives. Yet with the business cycle controlled, seasonal operations and turnover losses modified, safety measures and preventive medicine installed, a large fraction of this loss is conceivably preventable.**

In the channel of technical method, the great outstanding wastes are found first in the uneconomic location of population and industry, and secondly in the failure to base schedules of production upon knowledge of consumptive requirements. The industries of New England grew because settlers chanced to land there first, and because there was power for small water wheels. The waterpowers have long ceased to be a factor, and the coal, the iron, the cotton, the wool, the hides which New England needs for her mills have to be hauled enormous distances from their points of origin and rehauled to far marketing points. New England, without coal or iron, in the corner of the map, is not a logical industrial community. Its natural environment calls for fisheries, forest culture, specialized farming and a summer recreational center by virtue of its lovely hills and coasts. (I speak as the tenth generation of a New England family.) And so in region after region, the country over, maximum output with minimum energy, particularly transportation energy—is seriously impeded by chance, by habit, by law, or just by plain stupidity. Consider what the single item of the stifling of our waterways by railroads bent on profitable traffic has cost us in excess man power per ton moved.

Meanwhile budget failures—the lack of balancing national production against national requirements, have cost us a grotesque overbuilding of nearly the whole of our industrial plant. We wear out 977,000 pairs of shoes a day. Shoe factories are equipped to turn out 1,750,000 pairs. We have three times as many lumber mills as are needed to cut our annual supply. The steel industry is about 70 per cent over-equipped; sugar refineries nearly 100 per cent. In industry after industry, excess capacity—from the standpoint of a balanced load—runs better than 100 per cent.[2]

In the channel of natural resources, it is needless here to recapitulate the findings of the conservation movement—a ton of coal

[2]See "The Tragedy of Waste," Stuart Chase, pp. 184-189.

wasted for every ton dug, three barrels of oil lost for every one reclaimed, a forest supply shrinking four times faster than it is growing—and a Sunday newspaper using up fourteen acres of spruce trees.

From the standpoint of a planned continent, a competent engineering survey would show a waste of man power and of materials which might serve to treble or quadruple the output of sound goods and services if it would be abated in total, and that with a far smaller relative exhaustion of natural resources. But it cannot be abated in total, any more than we can get 100 per cent of the thermal energy out of coal. What then are the practical limits of its abatement? Here we leave our dizzy bench mark of pure theory and drop down to the more seemly levels governed by the deplorable incapacity of mankind in the mass to control its environment or adequately to utilize the inventions it has made. A continental economy presents difficulties unknown to four men on a desert island.

Let us take a cautious bank president's view as the lower limits of practicability. Let us put him in the observer's seat and ask him to assess the channels of waste which we have outlined. We show him illth. Here are groups of people making deleterious patent medicines, adulterated foodstuffs, shoddy clothing, jerry built houses, stimulating fashions and seasonal fluctuations, peddling opium, fabricating war material, editing tabloid shockers, selling blue sky stocks, booming swamp lands in Florida; here is the hard working man and woman power of crime and prostitution. How much, Mr. President, is waste? How much can we hope to prevent?

We show him the idle: Can the Federal Reserve system check the ravages of the business cycle? Can more brains in personnel management reduce hiring and firing losses; can safety devices reduce industrial accidents; can occupational diseases be abated?

We call his attention to technical method: Is there any future to scientific management; do the findings of the Federated American Engineering Societies, and the American Engineering Standards Committee promise anything of practical value? Do we really need one retail store for every twenty-six families in the country? And is the present rate of exploitation in coal, oil, lumber, soils, inevitable and necessary?

As item after item crosses his vision, one suspects that even the most cautious of bank presidents—granting he had any imagination

at all—will agree to quite a respectable margin of waste, and admit that a certain fraction of it is preventable.

Between his estimate as a minimum and the upper limit of pure theory as a maximum, the truth of the matter must lie. The engineering type of mind will tend to the higher registers, the hard boiled business man to the lower. Any accurate quantitative assessment lies forever beyond calculation—if for no other reason than that every advance in the technical arts, every new method of by-product conversion, every tapping of new sources of power, shifts the basis of assessment.

III.

I have at another time and place made a quantitative summary from the standpoint of what has been called by Tawney and others a functional industrial control—a standpoint which lies rather beyond the bank president, but decidedly less than the engineering maximum. By building up estimates class by class, a total waste of about half the man power of America was arrived at, but I have no illusions that this is more than a crude guess. Its only virtue lies in the side lights it throws upon the individual items—the quantitative extent of unemployment, excess plant capacity, distribution overhead, the man power of advertising, the potential savings of standardization, the burden of the military establishment, the extent of the drug traffic, and what not. That a wiser industrial control holds out the possibility of doubling the standard of living —and that within the calculable future—does not seem sheer dreaming as the facts pass item by item under review; although in another mood one may question if there is the latent power in mankind even partially to direct its economic destiny. Before the Frankenstein of the machine which has grown with hardly more purpose than grows a jungle thicket, one often stands in impotence and dismay.

Yet functionalism has practical aspects. Free competition—welfare achieved by unlimited scope for private gain—has never been more than a pious rationalization of contrary and prickly facts, of which no better illustration can be given than Walton Hamilton's analysis of bituminous coal.[3] The exigencies of human life, of

[3]See "The Problem of Bituminous Coal," by Walton H. Hamilton, *American Labor Legislation Review,* Vol. XVI, No. 3, September, 1926, pp. 217-230.

safety, sanitation, psychological limits of endurance—a thousand things—have forced here and there a control based deliberately on function, to supersede the anarchy of unadulterated profit seeking —of which no better illustration can be given than the work of the American Association for Labor Legislation. We see the same force at work in the growth of the trade associations with their attempts to standardize quality, to calculate consumptive requirements; in the growth of trade unions, and particularly in the dawning realization of labor that productivity must be correlated to standards of living. We see it in government programs of afforestation, reclamation and waterway development. The giant power project is functionalism incarnate. We see it in the Federal Reserve system. It is implicit in the whole engineering approach to waste elimination. Mr. Hoover before the First Distribution Conference said: "I wish to make it clear that in speaking of waste I do not mean wilful waste, but economic waste which is the natural outgrowth of the competitive system. I do not mean the waste which any single individual can correct of his own initiative, but waste that can only find remedy in collective action."

Functionalism might be defined as an economic system which has grown self-conscious, which has come out of the stage of astrology, panic, blind luck, and totem worship into the stage of forward planning. That the technique does not transcend human administrative capacity was amply demonstrated by the war, when the Supreme Economic Council of the allies flung a functional control around the products of half the world. That it can operate on the grand scale with only the pedestrian incentives of ordinary peace times is still an open question—though the Incas did it once, and Denmark is close to achieving it to-day. It stands as a perpetual challenge to the statesman, the engineer, the labor leader. With its coming—and it is futile to speculate whether the ultimate control will lodge in government, in private monopoly, in trade association, in industrial union, in cooperative association—we shall end poverty, squalor, and degraded standards of existence, and begin to live our industrial lives with something of the sanity which marked the real behavior of the castaways on the Mysterious Island.

Human Aspects of Industrial Waste

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STUART CHASE has given us an aeroplane view of our wastes which puts the much-discussed engineering wastes of industry into their proper perspective. Quantity of output, or even percentage of use of raw product, is not necessarily the measure of the efficiency of our industrial organizations. The engineering profession is doing wonders in its attack on mechanical wastes. Many men, however, have failed utterly to understand the psychological problems of industrial management. Whereas the physical efficiency of the workshop has been greatly improved and is being further bettered every day, we have hardly started an effective attack on human inefficiency. The worst of it is that there is no agreement as to how this great item of waste may be attacked. We know that men can work more effectively than they do. We know that they are happier and get less tired when they do work effectively. And yet we know that more and better work can be done than actually is done even in shops of high efficiency. In the Dennison plant, years of study of wastes in the tag room had satisfied everyone, workers and management, that the lowest attainable scrap percentage had been reached and was being satisfactorily maintained. And yet when an embargo cut off the supply of raw material and the workers saw ahead only as much money as could be gained by making perfect tags out of the supply of cardboard on hand, the scrap was immediately reduced more than fifty per cent.

Mrs. Gilbreth is telling us that fatigue has little relation to the footpounds of work done in a day. Meanwhile Dr. Mayo suggests that fatigue is the result of chemical unbalance in the human body. And Whiting Williams comes back from his work in steel plants and says that he was much more tired at the end of a day of small output when things went wrong than after a day of record output when there were no troubles to interfere with the work. Robert Wolf says that we must release the creative instinct again if we are to make a success of our machine era.

There is a vast human waste here—of unnecessary fatigue and unrealized ambitions. They are unmeasurable, for their effects do not end with the original waste, but go on as a degrading influence on society. Future generations will feel the effect of the thwarted

lives of the present far more than our wasted coal supplies, serious as Mr. Hamilton has shown such wastes to be. The race has always been prodigal of easily obtained resources, but it has been quick to conserve when it has felt the pinch of scanty supplies; that is no new experience for mankind. But this human waste is new; it is a product of the machine age. We do not know how to deal with it and it behooves us to stop and study it to find whether it is going to pay society, in the long run, to standardize human effort too far.

Regular Legislative Sessions 1927

CONGRESS (69th Congress, 2nd session) and the following forty-four states hold regular legislative sessions during 1927: Alabama, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Florida, Georgia, Idaho, Illinois, Indiana, Iowa, Kansas, Maine, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Washington, West Virginia, Wisconsin, Wyoming.

Labor Department Urges Compensation For All Occupational Diseases

THAT workmen's compensation laws should be extended to cover all **occupational diseases** is the conclusion of the United States Department of Labor recently set forth in the *Monthly Labor Review*. This declaration is made in the course of vigorous comment on a decision by the New York Supreme Court, Appellate Division, in the case of Wager *v.* White Star Candy Co., 217 N. Y. Supp., 173.

A girl, Frances E. Wager, worked six months in a damp, unventilated cellar. She contracted tuberculosis and physicians testified it was directly due to her surroundings. A trial court awarded her $2,000 damages.

In over-ruling this award Judge Henry T. Kellogg said:

"The plaintiff was fully aware of conditions under which she worked. It is from her testimony that we learn the walls of the cellar were wet to the touch; that a cesspool backed up liquids which wet the floor; that the cellar was devoid of windows to light or air it; that dead rats were left about; that the odors were vile. * * * It is common knowledge that such conditions are deleterious to health. * * * We think that the plaintiff as a matter of law assumed the risk attendant upon her remaining in the employment, and that the recovery may not stand."

This leads the Department of Labor to inquire how far an employer may go in permitting unsanitary conditions without liability for the results to his employees. The New York laws direct all factories and other work places to be so constructed and conducted as to provide adequate protection to the lives, health and safety of the workers.

"**It would seem timely,**" the Labor department says, "**to extend the compensation system to all injuries due to employment, whether occasioned by accident or not.**"

International Labor Legislation

FORWARD-LOOKING action was taken on a number of pressing issues in the field of protective labor legislation at the first meeting of the **INTERNATIONAL ASSOCIATION FOR SOCIAL PROGRESS,** held at Montreux, September 22-24, 1926. This international Association, of which the Association for Labor Legislation is the American section, was created in 1925, it will be remembered, by amalgamating three former allied organizations—the International Association for Labor Legislation, the International Association on Unemployment and the International Social Insurance Committee.

Eight questions were included in the agenda of the Montreux meeting:

1. The legal situation of salaried employees.
2. Accident prevention.
3. Credit control as a means of preventing periodical unemployment crises.
4. Public works programs as a method of combatting unemployment.
5. International transfer of rights acquired in connection with social insurance.
6. The cost of social insurance.
7. The legal situation of foreign workers.
8. The cost of social legislation.

Seventeen countries were represented by delegates from national sections of the Association. In addition the governments of ten of these countries sent representatives, and the official International Labor Office at Geneva was represented by its director.

The meeting urged intensive work to bring about unconditional ratification by all countries of the Convention adopted by the various sessions of the official International Labor Conference—particularly the Convention for the eight-hour day.

Protection of Salaried Employees: Confirming a resolution adopted in 1922 by the International Association for Labor Legislation calling for an enquiry into the situation of salaried employees in private undertakings, the meeting declared that the results of this enquiry "prove that the protection of salaried employees is more than ever necessary." It urged that all international Conventions and Recommendations, "existing or to be adopted in the future," should apply as far as possible to salaried employees as well as to other classes of workers, and that the International Labor office should endeavor to carry out this policy. It called for regulation of working hours of these employees, including the eight-hour day and one day of rest in seven. "Women employees," the resolution declares, "should not be dismissed as a result of any interruption in their work caused by pregnancy or childbirth. When the contract of service is denounced by the employer within the period from six

weeks before to six weeks after childbirth, it should not actually terminate until eight weeks after childbirth. The Washington Convention on the subject should be amended in this sense."

Subjects of new national and international regulations for salaried employees put forward include abolition of agreements forbidding an employee in leaving one employer to accept a position with a competitor, and standards for paid holidays, for payment of wages when the employee is prevented from doing his work through no fault of his own, for notices of dismissal and resignation, for indemnity for cancellation of contracts, and protection of inventors.

The meeting voted to continue the enquiry undertaken in 1922 with a view to securing documentary information on the following questions: (1) Methods of combatting unemployment among salaried employees (relief for the unemployed, employment exchanges, occupational re-education, protection of aged employees, emigration, etc.); (2) Protection of apprentices and occupational training; (3) Protection for inventions made by employees; (4) Privileges in the event of bankruptcy or liquidation; (5) Labor inspection and control of the protection of employees, and (6) Reciprocity in regard to social insurance.

Prevention of Industrial Accidents: A resolution was adopted requesting the International Labor Office to continue its work for accident prevention, with especial attention to automatic couplings on railways, substitution of round for square shafts on planing machines in the wood industry, and safeguards against coal mine accidents such as use of electric lamps, and rock dusting of mines to prevent disasters due to coal dust explosions. National sections of the Association are asked to study the progress made in these directions in their respective countries.

International Transfer of Social Insurance Rights: Urging universal adoption of social insurance measures to protect employees "against loss of capacity to work or earn a living," the meeting declared that "it is of special importance, under post-war conditions, to allow insured persons passing from one country to another to preserve the rights in this connection which they have acquired or are in course of acquiring." Principles are suggested on which special bilateral treaties between countries should be based where necessary in order to insure "equality of treatment" to such insured persons.

The Cost of Social Insurance: Declaring that "the Association sees in social insurance the best method of guaranteeing wage-earners against the vicissitudes of life," a resolution pledges cooperation with the International Labor Office in calculating "social charges" in the various countries. In some quarters, it is noted, there is a demand for a reduction of "social charges"—expenditures made to protect workers against hazards of earning their own living and expenses incurred with a view to securing the livelihood of large families—and "this idea of 'social charges' is spreading from one country to another, and the sense given to it makes it a danger for social insurance." But, the Association points out: "In calculating social charges, account should be taken of other forms of social relief granted to wage-earners under a labor agreement or in virtue of legislation. It is of importance in this con-

nection that, for each risk separately, account should be taken of benefits in cash, benefits in kind, and preventive measures. Family charges should also be considered. The Association declares its intention of using the results obtained by the International Labor Office, of comparing them as between one country and another, and of showing their intrinsic value." The Association "considers it of real urgency that large families should be protected by a system of insurance which takes account of their requirements."

International Credit Control: Following the publication in the journal of the Association of the report and conclusions prepared by Max Lazard on international credit control for the purpose of preventing periodical crises of over-production and unemployment, a special committee will study the subject further and the Association will take up the question again at a later session.

Public Works and Unemployment: The Association recommends that "wherever it has not already been done, independent and permanent organizations of experts should be set up" to collaborate with the authorities concerned in promoting the long-range advance planning of public works as an aid in stabilizing employment. The Association holds that "in order to attain the object sought, and with a view to legislative regulation of the question, public opinion should be instructed on the possibilities of alleviating fluctuations in the labor market by a systematic and rational distribution of public works. Public opinion must be made to understand that if this work is better distributed between busy and slack periods, it will cost less and will be more productive."

Association's Program for 1926-1927: It was decided to place the following questions on the Association's immediate program: (1) Legal status of foreign workers; (2) Maternity insurance and social welfare, and (3) Guiding principles of unemployment insurance.

JAPAN is the most recent country to ratify the Draft Convention of the International Labor Conference regulating **child labor.** Other countries that have thus far ratified the Convention include Belgium, Bulgaria, Chile, Czechoslovakia, Denmark, Esthonia, Great Britain, Irish Free State, Latvia, Poland, Rumania, and Switzerland. The Convention fixes the general minimum age for industrial employment at fourteen years, with special clauses for India and Japan fixing the age at twelve.

BELGIUM in 1926 formally **ratified** the following international Draft Conventions: (1) Limiting the hours of work in industrial undertakings to eight in the day and forty-eight in the week; (2) concerning the rights of association and combination of agricultural workers; (3) restricting the use of white lead in painting; (4) fixing the minimum age of young persons to employment as trimmers or stokers; (5) concerning the compulsory medical examination of children and young persons employed at sea, and (6) concerning the application of the weekly rest in industrial undertakings.

Book Reviews and Notes

The New Leadership in Industry. By Sam A. Lewisohn. *New York, Dutton, 1926. 234 pp.*—Thoughtfully interested for many years in various efforts to improve industrial conditions—through labor legislation, labor organization, and business management—Mr. Lewisohn has crystalized in this very readable volume his conclusions on the responsibility and opportunity of the employer. A noteworthy feature which further unifies the discussion is Mr. Lewisohn's interpretation of industrial forces in terms of the most up-to-date psychology. "The individual initially responsible and influential in the industrial scene is the employer," says the author (p. 53), and he proceeds unwaveringly to discuss the employer's "Mental Hygiene," and his "Class Consciousness" no less than his "Wage Policies." Mr. Lewisohn notes with disapproval that in the business world the man who can discuss large questions of finance is regarded with marked respect while "the man who has made a study of employment psychology or other labor questions and can discuss such problems ably is regarded, at best, as no more than an interesting figure." He looks forward to "a new fashion" in industrial leadership and his interesting book is a valuable contribution in that direction. In this volume he makes only incidental reference to labor legislation, but his broad social outlook is revealed when in reference to workmen's compensation and other protective legal regulations he says: "Most of this legislation has been, and is, essential to provide the ordinary decencies of an industrial civilization, and it needs strengthening rather than weakening."

Prohibition at Its Worst. By Irving Fisher. *New York, Macmillan, 1926. 255 pp.*—Reluctantly the author was converted to prohibition. He now finds it saves over six billion dollars a year, improves health and efficiency, decreases disease and death. "Personal liberty" is limited to boundaries set by the welfare and liberty of the social group. For present "intolerable conditions" of disrespect for law the author's recommendation is effective law enforcement with the aid of education—facing the facts. His readable volume on this controversial subject bristles with facts. It is an additional public service to make facts interesting, and with patience and courage Professor Fisher has again shown himself to be one of America's most useful citizens.

Industrial Safety Organization. For Executive and Engineer. By Lewis A. DeBlois. *McGraw-Hill, New York, 1926. 328 pp.*—The emphasis throughout in this most thoughtful of the books on accident prevention is upon fundamentals and basic principles of safety organization. "The future progress of the safety movement, the decision whether it shall advance with sufficient speed

and strength to enable it to overtake the apparent increase in industrial accidents for which mass production and mechanical methods are largely responsible, rests with three groups: industrial executives, the engineering fraternity and that smaller and newer group, the safety engineers." In this order of importance he names them and out of his fourteen years of accident prevention work in the du Pont Company, including one year as president of the National Safety Council, Mr. DeBlois addresses them as his particular audience. But the book is no less stimulating to less expert readers.

Palgrave's "Dictionary of Political Economy." Edited by Henry Higgs. *Macmillan, New York, 1926. Vols. I-III, 2,739 pp.*—A standard encyclopedic work of its kind for thirty years, these three weighty volumes, in their latest revised form, furnish information on an amazing number of economic topics. For American users the treatment of international subjects such as "Workmen's Insurance" is sometimes so exclusively from the standpoint of British writers and experience as to be quite unsatisfactory and in substance inaccurate. But at least an effort is made to include some reference to American conditions. Moreover, the staple of such a work are definitions of economic terms, economic history and the development of economic thought. Palgrave's "Dictionary" has been a useful reference tool for a generation and it is now good for another decade.

Personnel Administration: Its Principles and Practice. By Ordway Tead and Henry C. Metcalf. *New York, McGraw-Hill, 1926. 543 pp.*—New edition, thoroughly rewritten and revised to reflect latest developments and practice. An admirable contribution to the development of better administration of human relations in industry, with due emphasis upon health and safety. A "humanly desirable" standard set forth is "recognition that since diseases contracted because of occupational hazards create the same liability as accidents, compensation for such diseases shall be on the same basis as accidents."

Florence Sims, A Biography. By Richard Roberts. *The Womans Press, New York, 1926. 292 pp.*—The story of the life and work of Miss Florence Sims, leader of the industrial work of the National Y. W. C. A. up to the time of her death in 1923. An inspiring volume which will be welcomed by her many friends both here and abroad.

The Financing of Social Work. By A. W. Proctor and A. A. Schuck. *New York, Shaw, 1926. 260 pp.*—A hand book of "dependable soliciting strategy," a result-proven method for successfully inducing the "citizen investor" to sign on the dotted line.